Provide, Inc.

Independent Auditors' Report
And
Financial Statements

December 31, 2017

Provide, Inc.

Table of Contents

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, 2017, and the related statements of activities, cash flows and functional expenses 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, 2017, 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.

Report of Summarized Comparative Information

The financial statements for the year ended December 31, 2016 were audited by other accountants, whose report dated June 26, 2017 expressed an unmodified opinion on those audited financial statements. The summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Daniel Dennis & Company LLP

May 18, 2018

Provide, Inc.
Statement of Financial Position
December 31, 2017 with Comparative Totals for 2016

	2017	2016
Assets		
Current Assets:		
Cash and cash equivalents	$ 909,746	$ 1,187,654
Investments	566,551	-
Other investments	414,111	913,924
Promises to give	2,981,804	35,700
Prepaid expenses	32,489	30,260
Security deposit	-	4,258
Total current assets	4,904,701	2,171,796
Fixed Assets		
Furniture and equipment	54,328	66,312
Less: accumulated depreciation	(18,857)	(35,821)
Total noncurrent assets	35,471	30,491
Total assets	$ 4,940,172	$ 2,202,287
Liabilities and Net Assets		
Current Liabilities:		
Accrued expenses	$ 61,511	$ 26,748
Accrued payroll	44,992	45,450
Accrued vacation	67,703	70,573
Total current liabilities	174,206	142,771
Net Assets:		
Unrestricted	1,084,462	1,297,936
Temporarily restricted	3,681,504	761,580
Total net assets	4,765,966	2,059,516
Total liabilities and net assets	$ 4,940,172	$ 2,202,287

See accompanying notes to financial statements.

Provide, Inc.
Statement of Activities
For the Year Ended December 31, 2017
With Summarized Comparative Totals for the Year Ended December 31, 2016

	Unrestricted	*Temporarily Restricted*	*2017 Total*	*2016 Total*
Revenue and Support:				
Grants and contributions	$ 181,584	$ 6,238,518	$ 6,420,102	$ 1,186,001
In-kind contributions	8,032	-	8,032	41,675
Program service fees	-	-	-	20,000
Released from restriction	3,318,594	(3,318,594)	-	-
Interest income	8,953	-	8,953	8,806
Realized gain on investments	20,867	-	20,867	545
Unrealized gain on investments	60,045	-	60,045	-
Dividend income	7,223	-	7,223	-
Total revenue and support	3,605,298	2,919,924	6,525,222	1,257,027
Expenses:				
Program services	2,955,541	-	2,955,541	2,975,144
General and administrative	622,806	-	622,806	180,923
Fundraising	240,425	-	240,425	273,104
Total expenses	3,818,772	-	3,818,772	3,429,171
Change in net assets	(213,474)	2,919,924	2,706,450	(2,172,144)
Net assets, beginning of year	1,297,936	761,580	2,059,516	4,231,660
Net assets, end of year	$ 1,084,462	$ 3,681,504	$ 4,765,966	$ 2,059,516

See accompanying notes to financial statements.

Provide, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2017
With Summarized Comparative Totals for the Year Ended December 31, 2016

	Program Services	*General and Administrative*	*Fundraising*	*2017 Total*	*2016 Total*
Salary and related expenses:					
Salaries	$ 1,783,301	$ 302,921	$ 151,074	$ 2,237,296	$ 1,983,198
Benefits	301,131	35,851	21,491	358,473	246,457
Payroll taxes	152,264	18,127	10,876	181,267	151,414
Total salary and related expenses	2,236,696	356,899	183,441	2,777,036	2,381,069
Consultants	106,006	128,784	485	235,275	309,492
Travel	243,187	26,162	3,115	272,464	266,844
Meetings and conferences	184,573	36,962	6,886	228,421	178,194
Rent	36,435	4,337	2,603	43,375	71,294
Office expenses	41,043	19,367	11,672	72,082	24,763
In-kind expenses	8,032	-	-	8,032	41,675
Telephone	6,124	729	437	7,290	35,847
Printing	46,436	1,489	27,764	75,689	27,752
Professional development	15,125	1,998	1,126	18,249	26,720
Postage	16,930	1,898	1,326	20,154	13,334
Dues and subscriptions	62	6,824	55	6,941	12,295
Depreciation	9,121	7,400	688	17,209	11,081
Insurance	4,416	3,628	315	8,359	8,519
Professional fees	-	11,000	-	11,000	7,909
Payroll processing	-	9,417	-	9,417	5,938
Utilities	164	19	12	195	3,570
Staff recruitment	1,050	5,086	500	6,636	2,629
Website maintenance	141	807	-	948	246
Total expenses	$ 2,955,541	$ 622,806	$ 240,425	$ 3,818,772	$ 3,429,171

See accompanying notes to financial statements

Provide, Inc.

Statement of Cash Flows

For the Year Ended December 31, 2017 with Comparative Totals for 2016

	2017	*2016*
Cash Flows From Operating Activities:		
Change in net assets	$ 2,706,450	$ (2,172,144)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	17,209	11,081
Dividends/interest reinvested	(7,223)	(8,353)
Donation of investments	(3,019,968)	(11,699)
Realized gain on investments	(20,867)	(545)
Unrealized gain on investments	(60,045)	-
Change in operating assets:		
Promises to give	(2,946,104)	(24,627)
Security deposit	4,258	-
Prepaid expenses	(2,229)	(17,357)
Change in operating liabilities:		
Accrued expenses	34,763	(36,751)
Accrued payroll	(458)	45,450
Accrued vacation	(2,870)	42,069
Net cash used in operating activities	(3,297,084)	(2,172,876)
Cash Flows From Investing Activities:		
Purchase of fixed assets	(22,189)	(33,965)
Proceeds from the sale of investments	3,559,616	1,864,383
Purchase of investments	(518,251)	(1,670,494)
Net cash provided by investing activities	3,019,176	159,924
Net change in cash and cash equivalents	(277,908)	(2,012,952)
Cash and cash equivalents, beginning of year	1,187,654	3,200,606
Cash and cash equivalents, at end of year	$ 909,746	$ 1,187,654

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 two programs and the achievements for those programs during 2017 are 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 2017, the Agency held trainings at 269 health and social service sites in states where women seeking abortion face particularly high barriers to accessing care, including AL, CO, KY, OK, NC, SC, TN and VA. 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 68%. Additional technical assistance was provided to nearly 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.

Special Projects
Special Projects explored and evaluated effective strategies for increasing access to abortion care in 2017 via the Stigma360 curriculum pilot and the Crossroads Virtual Listening tour. Both of these projects gave the Agency new insight into provider needs around abortion referrals and general reproductive health care.

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.

Financial Statements Presentation
The statement of activities reports all changes in net assets, including changes in unrestricted net assets from operating activities. 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 three classes of net assets (unrestricted, temporarily restricted and permanently restricted) and the statement of activities displays the change in each class of net assets. The Agency had no permanently restricted net assets at December 31, 2017 and 2016. The classes of net assets applicable to the Agency are presented as follows:

Unrestricted Net Assets - are not subject to donor imposed restrictions. Unrestricted net assets consist of assets and contributions available for the support of operations. Unrestricted net assets may be designated for specific purposes by management or the Board of Directors.

Temporarily Restricted Net Assets - are subject to donor-imposed stipulations that may or will be met, either by actions of the Agency and/or passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

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 unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. All grants and contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Grants are recorded as revenue as costs related to the services provided are incurred.

Program Service Fees - Program service fee revenue is earned and recognized by the Agency when services are provided and billed.

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, 2017 and 2016, 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, 2017, the Agency has evaluated the tax positions taken in its previously filed returns and those expected to be taken in its 2017 returns and believes they are more-likely-than-not of being sustained if examined by Federal or State tax authorities. At December 31, 2017, the Agency believes that it has no uncertain tax positions within any of its open tax returns (2014-2016).

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 located in Massachusetts, North Carolina and Florida. 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 Organization 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 unrestricted net assets unless a donor or law temporarily or permanently 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, 2017 and 2016, management has determined any allowance would be immaterial.

Summarized Financial Information for 2016
The financial statements include certain prior year summarized comparative information in total but not by net asset class. Also, the financial statements do not include a full presentation of the statement of functional expenses, as certain prior year summarized comparative information is presented in total but not by functional classification. In addition, the financial statements do not include full financial statement disclosures for the prior year. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

3. Investments

As of December 31, 2017 and 2016, 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, 2017 and 2016, investments are measured at fair value on a recurring basis and consisted of the following:

	Level 1	
Description	*2017*	*2016*
Mutual Funds:		
Large Blend Funds	$ 566,551	$ -

The following schedule summarizes the investment returns for the years ended December 31, 2017 and 2016:

	2017	*2016*
Interest and dividends	$ 7,328	$ -
Realized gain/Unrealized gain on investments	80,912	-
Total	$ 88,240	$ -

4. Other Investments

Other investments are carried at cost and consist of the following certificates of deposit at December 31, 2017 and 2016:

2017

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

2016

Amount	*Maturity date*	*Interest rate*
$ 504,467	2/28/2017	0.60%
409,457	4/29/2017	1.00%
$ 913,924		

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, 2017 are recorded at the present value of their future cash flows.

As of December 31, 2017 and 2016, 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 are conditional and will be made after the required reports are completed and at least 75% of the prior payment has been expended.

6. *Operating Lease Commitments*

The Agency occupied office and retail store space under operating lease agreements with various expirations dates through April 2018. During March 2017, the Agency terminated its operating lease agreements.

Additionally, during 2017, the Agency leased office space as a tenant at will for $1,350 per month.

Rent expense for the years ended December 31, 2017 and 2016 was $43,375 and $71,294, respectively.

7. *Related Party Transactions*

During 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, 2017 was $13,500.

8. Temporarily Restricted Net Assets

Temporarily Restricted
At December 31, 2017 and 2016, temporarily restricted net assets were restricted for the following:

Description	*2017*	*2016*
Program/purpose restriction	$ 3,646,781	$ 402,830
Time restriction	34,723	358,750
Total	$ 3,681,504	$ 761,580

9. 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 $58,330 and $32,466, net of expenses, were made by the Agency for the years ending December 31, 2017 and 2016.

10. Concentration

During 2017, 92% of total revenue and support was provided by one contributor. It is always considered reasonably possible that contributors might be lost in the near term.

11. Subsequent Events

The Agency has performed an evaluation of subsequent events through May 18, 2018, which is the date the Agency's financial statements were available to be issued. No material subsequent events have occurred since December 31, 2017 that requires recognition or disclosure in these financial statements.