ATTENTION, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

ATTENTION, INC.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

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January 26, 2021

INDEPENDENT AUDITORS' REPORT

Board of Directors
Attention, Inc.
Boulder, Colorado

We have audited the accompanying financial statements of Attention Inc. (a Colorado nonprofit corporation) which comprise the statement of financial position as of September 30, 2020, 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 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 of 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 Attention, Inc. as of September 30 , 2020, 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 on Summarized Comparative Information

We have previously audited Attention, Inc.'s 2019 financial statements and we expressed an unmodified audit opinion in our report dated February 21, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2019, is consistent, in all material respects, with the audited financial information from which it has been derived

Taylor Roth and Company PLLC

TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
DENVER COLORADO

ATTENTION, INC.

STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020	2019
Assets		
Cash and cash equivalents	$ 852,215	$ 574,309
Contracts receivable	197,102	245,251
Pledges receivable	7,500	9,375
Prepaid expenses	13,821	91,141
Investments (Note 3)	715,710	621,900
Beneficial interest in assets held by others (Note 4)	80,107	74,764
Property and equipment (Note 6)	685,239	609,642
Total assets	$ 2,551,694	$ 2,226,382
Liabilities and net assets		
Liabilities		
Accounts payable	$ 11,912	$ 12,063
Accrued payroll costs	73,054	33,848
Deferred revenue	-	4,850
Payroll protection program loan (Note 7)	303,400	-
Total liabilities	388,366	50,761
Net assets		
Without donor restrictions		
Undesignated	682,272	777,398
Board designated operating reserves (Note 3)	715,710	621,900
Board designated endowment fund (Note 4)	80,107	74,764
Net investment in fixed assets	685,239	609,642
	2,163,328	2,083,704
With donor restrictions	-	91,917
Total net assets	2,163,328	2,175,621
Total liabilities and net assets	$ 2,551,694	$ 2,226,382

The accompanying notes are an integral part of these financial statements

ATTENTION, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2020

(WITH COMPARATIVE TOTALS FOR 2019)

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue and other support				
Government	$ 1,058,327	$ -	$ 1,058,327	$ 587,781
Contributions	792,007	10,000	802,007	713,189
Foundations	689,906	-	689,906	436,500
Program income	655,582	-	655,582	416,755
Special event income	451,997	-	451,997	532,109
Less: direct event expenses	(36,937)	-	(36,937)	(57,975)
Investment income	51,362	-	51,362	20,702
Other income	21,036	-	21,036	7,852
In-kind contributions (Note 9)	114,804	-	114,804	75,056
Net assets released from restrictions (Note 10)	101,917	(101,917)	-	-
Total revenue and other support	3,900,001	(91,917)	3,808,084	2,731,969
Expense				
Program services	2,865,335		2,865,335	1,873,867
Supporting services				
Management and general	444,203	-	444,203	266,576
Fundraising	510,839	-	510,839	355,324
Total expense	3,820,377	-	3,820,377	2,495,767
Change in net assets	79,624	(91,917)	(12,293)	236,202
Net assets, beginning of year	2,083,704	91,917	2,175,621	1,939,419
Net assets, end of year	$ 2,163,328	$ -	$ 2,163,328	$ 2,175,621

The accompanying notes are an integral part of these financial statements

ATTENTION, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020				2019
		Supporting Services			
	Program	Management and General	Fund-raising	Total	Total
Salaries	$ 1,623,577	$ 214,595	$ 270,638	$ 2,108,810	$ 1,493,684
Payroll taxes & benefits	143,378	70,336	81,607	295,321	202,889
Youth assistance	316,850	-	-	316,850	209,888
Professional fees	216,663	18,958	35,208	270,829	88,727
Marketing & public relations	124,504	13,460	30,284	168,248	90,819
Building repairs and small equip	120,961	6,711	6,711	134,383	30,342
Technology support	57,364	16,133	16,134	89,631	32,350
Youth facility	52,155	-	-	52,155	-
Training costs	27,498	11,554	11,554	50,606	38,496
Insurance	44,080	2,449	2,449	48,978	43,389
Telephone & internet	37,694	2,094	2,094	41,882	21,067
Accounting & payroll	-	30,991	-	30,991	25,625
Rent	12,640	7,664	8,785	29,089	20,820
Return of funds	-	25,647	-	25,647	-
Supplies	12,769	3,831	8,938	25,538	24,950
Utilities	19,808	1,100	1,101	22,009	28,055
Donation processing fees	1,314	-	11,825	13,139	13,099
Fundraising expense	-	-	12,039	12,039	41,159
Travel	6,903	863	863	8,629	29,139
Postage	1,569	471	1,097	3,137	4,306
Volunteer	1,485	49	115	1,649	7,800
All other	-	7,900	-	7,900	-
	2,821,212	434,806	501,442	3,757,460	2,446,604
Depreciation	44,123	9,397	9,397	62,917	49,163
Total	$ 2,865,335	$ 444,203	$ 510,839	$ 3,820,377	$ 2,495,767

The accompanying notes are an integral part of these financial statements

ATTENTION, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(WITH COMPARATIVE TOTALS FOR 2019)

	2020	2019
Cash flows from operating activities		
Change in net assets	$ (12,293)	$ 236,202
Adjustments to reconcile change in net assets to net cash provided by operating activities		
(Gains)losses on investments	(29,139)	(4,012)
(Gains)from assets held by others	(5,343)	(2,214)
Depreciation	62,917	49,163
Changes in operating assets and liabilities		
(Increase)decrease in contracts and grants receivable	48,149	(182,421)
(Increase)decrease in prepaid expenses	77,320	(80,795)
(Increase)decrease in pledges receivable	1,875	(6,975)
Increase(decrease) in accounts payable	(151)	(10,510)
Increase(decrease) in payroll accruals	39,206	(84,578)
Increase(decrease) in deferred revenue	(4,850)	(5,550)
Net cash provided(used) by operating activities	177,691	(91,690)
Cash flows from investing activities		
(Purchases) of fixed assets	(138,514)	(22,155)
(Purchases) of investments	(78,044)	(48,451)
Proceeds from investments	25,656	50,000
(Reinvestment) of earnings	(12,283)	(11,961)
Net cash provided(used) by investing activities	(203,185)	(32,567)
Cash flows from financing activities		
Proceeds from payroll protection program loan	303,400	-
Net cash provided(used) by financing activities	303,400	-
Net increase(decrease) in cash and cash equivalents	277,906	(124,257)
Cash and cash equivalents, beginning of year	574,309	698,566
Cash and cash equivalents, end of year	$ 852,215	$ 574,309

The accompanying notes are an integral part of these financial statements

ATTENTION, INC.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 - NATURE OF ACTIVITIES

Attention, Inc. ("the Organization") was incorporated on August 30, 1966, in the State of Colorado. The mission of the Organization is to provide lifechanging resources to youth in crisis. The Organization is a safe resource for youth in crisis providing shelter, structure and access to crucial services so that homeless and displaced youth can become stable independent members of our community. The Organization also operates under the DBA of Attention Homes, Inc.

The Organization has two programs for at-risk youth: Runaway and Homeless Youth (RHY) and Adolescent Residential Care (RES). These two programs are operated independently at two separate facilities, Broadway House and Chase House, both located in Boulder, Colorado and serve adolescents and young adults from the Boulder/Denver metro area. The programs offer a combination of services to youth who are abused, neglected, recovering, homeless, runaway, and delinquent and/or are from families in crisis. Services are provided to low-income youth regardless of their or their families' ability to pay.

Youth in the care of the Organization receive the following core services: safety, stability, security and supervision in a highly structured home-like setting; healthy meals and shelter; individual case management, and in-house groups; access to accredited education, recreational activities, community service projects, as well as medical, dental and mental health care; life skills lessons and positive adult role models; support in accessing employment; and a team of experienced counselors, clinicians, volunteers, county case workers and other service providers helping youth move through their troubles and toward treatment goals and self-sufficiency.

The RHY program is operated in the Broadway House facility. This program provides street outreach, day drop-in and emergency shelter services to homeless youth ages 12 to 24. The goal of this program is to reduce youth homelessness through building trust and establishing relationships with them and increasing access to services that move teens from living on the streets or in shelters toward stable, long-term housing and/or family reunification.

The RES program is facilitated at Chase House. This program operates a safe, structured, home-like atmosphere for youth placed through social services due to family disruption and other crises. The goal of this program is to provide these youth with temporary residential care to help them transition through their family crises and to a long-term and safe placement.

In December 2017, the Organization entered into a partnership to finance, construct and manage a forty-unit permanent supportive housing complex in Boulder Colorado. Construction of the housing complex began in January 2018 and was completed in November 2019. The Organization will provide its core services to the residents of the complex. The agreement is further discussed in Note 12.

The Organization is funded primarily by service contracts, federal, state and local government grants, private foundations, individuals, service clubs, faith communities, businesses and special events.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of Net Asset Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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. These net assets may be used at the discretion of the Organization's management and the board of directors.

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 Organization 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.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

3. Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

4. Capitalization and Depreciation

The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of $1,000. The fair value of donated assets is similarly capitalized. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

Impairment of Long-Lived Assets. In the event that facts and circumstances indicate that property and equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the year ended September 30, 2020.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES – (Continued)

5. Revenue and Revenue Recognition

Revenues are recorded as the services are rendered. Prepaid amounts are recorded as a deferred revenue liability when payments are received. As the services are rendered, revenue is then recorded.

Contributions are recognized when the donation is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions and grants that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

During the year ended September 30, 2020, the Organization received a pledge totaling $200,000. The pledge agreement requires certain milestones to be achieved by the Organization. Amounts received during the year ended September 30, 2020 totaled $100,000, and the remaining balance is expected to be received in February 2021. These remaining conditional promises to give will be recognized as support upon completion of the objectives.

6. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

7. Income Taxes

The Organization has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

8. Functional Reporting of Expenses

For the year ended September 30, 2020, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and benefits are allocated by time and effort.

9. New Accounting Pronouncements

The Organization adopted Accounting Standards Update (ASU) No. 2018-08 – Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605). The standards update provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The accounting guidance may delay revenue recognition for certain grants and contributions that no longer meet the definition of unconditional. The Organization does not believe the application of the provisions of the standards update materially changed the recognition of contributions received during the year.

During the year ended September 30, 2020 the Organization adopted the requirements of ASU 2018-08, applying the requirements retrospectively to the comparative period presented. Management has evaluated the effects of the new standard and has determined that the standard has had no changes to the financial statements for the year ended September 30, 2019.

Investments and New Accounting Pronouncement. The Organization's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization's management determines the valuation policies utilizing information provided by the investment advisors and custodians. During the year ended September 30, 2020, the Organization adopted the requirements of ASU 2016-01, Topic 825-10, Financial Instruments - Overall: Recognition and Measurement of Financial Assets and Financial Liabilities, applying the requirements retrospectively to the comparative period presented. For the Organization, the ASU updates the presentation and disclosure requirements of financial assets and investments in equity securities. See Fair Value Measurements.

10. Fair Value Measurements

The Organization reports using fair value measurements, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The 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 quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below in Note 5:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES – (Concluded)

The following are descriptions of the valuation methodologies used for assets measured at fair value on a recurring basis:

Debt and Equity Securities and Mutual Funds. The Organization values securities with readily determinable market values at fair value as determined by quoted market prices on national securities exchanges valued at the closing price on the last business day of the fiscal year. Securities traded on the over-the-counter market are valued at the last reported bid price.

Beneficial Interest in Assets Held at Foundation. The Organization values the beneficial interest in assets held at foundation at the net asset value ("NAV") of units held by the Institute at year-end. The NAV, as provided by The Community Foundation ("the Foundation"), is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the Foundation less its liabilities. This practical expedient is not used when it is determined to be probable that the Foundation will sell the investment for an amount different than the reported NAV.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at September 30, 2020.

In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

11. Summarized Prior-Year 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended September 30, 2019, from which the summarized information was derived.

12. Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

13. Subsequent Events

Management has evaluated subsequent events through January 26, 2021, the date the financial statements were available to be issued, and believe there are no material events of note.

NOTE 3 - INVESTMENTS – BOARD DESIGNATED OPERATING RESERVES

The Board of directors has voted to designate these funds as Board designated operating reserves. Fair value measures are noted in Note 5 and consist of the following at September 30, 2020:

Description	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Cash and cash equivalents	$ 104,250	$ 104,250	$ 0
Stocks, options, and ETF	207,737	275,428	67,691
Fixed income securities	199,260	210,663	11,403
Mutual funds	129,584	125,369	(4,215)
Total	$ 640,831	$ 715,710	$ 74,879

Investment income and account activity are summarized as follows:

Description	Amount
Unrealized and realized gains	$ 29,139
Interest and dividend income	16,114
Less management fees	(3,832)
Net investment return	$ 41,421

Additionally, during the year, the Organization earned interest income of $4,598 on its operating cash accounts and a net return of $5,343 on investments held at The Community Foundation as described in footnote 4.

NOTE 4 – BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

During 1998, the Organization entered into an agreement with The Community Foundation serving Boulder County ("The Foundation"). The agreement established a designated agency endowment fund to be known as the Judge Horace B. Holmes Attention Homes Endowment (the "Fund") within The Foundation with the intention that its net income be distributed at least annually to the Fund's beneficiary, Attention Homes Inc. The Foundation has been granted variance power permitting the Board of Trustees of the Foundation to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to a specified organization if, in the sole judgment of the Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with charitable needs of the community served. For the year ended 2019, there were no distributions from the Endowment Fund and the Organization has requested that all of the Fund's net income be reinvested in the Fund.

The Foundation invests in marketable debt and equity securities (Level 2), primarily in assets yielding a combination of income and long-term growth. The Foundation periodically distributes income earned on the Fund, subject to the Foundation’s spending policy. The Fund is recorded as a beneficial interest in assets held by the Foundation on the accompanying statements of financial position.

NOTE 4 – BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS - (Continued)

Fund activity and balances consisted of the following in the year ending September 30, 2020:

Description	Amount
Balance, beginning of year	$ 74,764
Net investment return	5,343
Balance, end of year	$ 80,107

NOTE 5 – FAIR VALUE MEARSUREMENTS

The following table summarizes the Organization's fair value of assets (Notes 3 & 4) measured on a recurring basis by fair value ("FV") hierarchy and by NAV as of September 30, 2020:

The following table summarizes the Organization's fair value of assets measured on a recurring basis by fair value ("FV") hierarchy and by NAV as of September 30, 2020:

	Level 1	Level 2	Level 3	Total
Stocks, options, and ETF	$ 275,428	$ -	$ -	$ 275,428
Fixed income securities	210,663	-	-	210,663
Mutual funds	125,369	-	-	125,369
	$ 611,460	$ -	$ -	$ 611,460
Investments measured at NAV: Beneficial interest in assets held by Foundation (Note 4)	80,107			
Total assets valued at fair value	$ 691,567			

The following sets forth a summary of the Organization's beneficial interest in assets held at foundation reported at NAV at September 30:

Fair Value	Unfunded Commitments	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
2020				
$ 80,107	N/A	Immediate	Redemptions will only be made upon written request of the Organization	None

Changes in Fair Value Levels. The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Description	Amount
Land	$ 40,340
Buildings and improvements	958,960
Furniture and equipment	291,649
Vehicles	54,186
Total	1,345,135
Less: accumulated depreciation	(659,896)
Net property and equipment	$ 685,239

Depreciation expense for the year was $62,917.

NOTE 7 - PAYROLL PROTECTION PROGRAM LOAN

On April 28, 2020, the Organization was granted a loan ("the PPP Loan") from a financial institution in the amount of $303,400, pursuant to the Paycheck Protection Program ("the PPP") under Division A, Title I of the Coronavirus Aid, Relief and Economic Security Act ("the CARES Act"), which was enacted March 27, 2020.

The Loan, which was in the form of a promissory note dated April 28, 2020, matures on April 28, 2022 and bears interest at a rate of 1.00% per annum, payable in monthly installments of approximately $17,074, commencing on October 13, 2020. The Note may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before June 23, 2020, or through an alternate period as extended upon request of the Organization. The Organization used the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

Scheduled maturity for the PPP Loan is as follows at September 30, 2020:

Year ended September 30	PPP Loan
2021	$ 202,772
2022	100,628
	$ 303,400

As of the report date, the bank has forgiven the aforementioned note payable and all accrued interest.

NOTE 8 - LEASE COMMITMENTS

The Organization had entered into an operating lease for office space in Boulder, Colorado. The Organization has continued to rent the office space from the lessor on a month-to-month basis. Rent expense for 2020 totaled $29,089.

NOTE 9 - IN-KIND CONTRIBUTIONS

Volunteer services requiring specialized skills are reflected in the accompanying statements at their estimated values at date of receipt. The Organization recognized in-kind revenue and expense for donated goods and services, as follows:

Description	Amount
Client materials	$ 114,804

NOTE 10 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, net assets were released from donor restrictions by incurring expenses or return of funding for satisfying the restricted purposes:

Description	Amount
Furniture purchases/ Capital campaign	$ 76,917
Education	25,000
Total	$ 101,917

NOTE 11 - RETIREMENT PLAN

The Organization sponsors a retirement plan consisting of a 403(b) tax sheltered annuity plan. The plan covers all employees, who wish to participate and that have been employed for a minimum of 30 days. Contributions from the Organization are at the discretion of management. During 2020, the Organization accrued contributions of $9,633 to the plan.

NOTE 12 - PERMANENT YOUTH HOUSING – ATTENTION HOMES RESIDENCES LP

In December 2017, the Organization entered into a partnership to finance, construct and manage a forty-unit permanent supportive housing complex in Boulder Colorado. The Organization has a nominal administrative general partner interest in the partnership. Construction of the housing complex began in January 2018 and was completed in November 2019. The Organization will provide its core services to the residents of the complex. NEF/Capital One will provide funding for the project. The partnership also received funding from various governmental agencies. At an amount determined by the agreement, Boulder Housing Partners has the first right of refusal to purchase the building in 15 years. Attention Homes Inc. has the second right of refusal to purchase the building, also in 15 years.

The partnership agreement was entered into by the following entities.

- Attention Homes GP LLC, a Colorado LLC serving as Managing General Partner
- Source Housing LLC, a wholly owned subsidiary of Attention Inc. serving as Administrative General Partner
- NEF/Capital One, a Limited Partner
- Boulder Housing Partners, Special Limited Partner

NOTE 13 - CONCENTRATION OF CREDIT RISK

The Organization places a significant portion of its cash with one financial institution. Amounts over $250,000 are not insured by the FDIC or related entity. Management has evaluated its banking needs and the strength of the financial institutions and believes it is in the best long-term interest of the organization to continue its existing relationship.

NOTE 14 - AVAILABILITY AND LIQUIDITY OF RESOURCES

The following represents the Organization's financial assets at September 30, 2020:

Financial assets at year-end:	Amount
Cash and cash equivalents	$ 852,215
Contracts receivable	197,102
Pledges receivable	7,500
Total financial assets available to meet cash needs for general expenditures within one year	$ 1,056,817

The Organization's goal is generally to maintain financial assets to meet 120 days of operating expenses, which would approximate $850,000.

NOTE 15 - COVID-19 PANDEMIC

On January 30, 2020 the World Health Organization declared the COVID-19 outbreak a public health emergency and subsequently a pandemic on March 11, 2020. The Organization is currently assessing the potential impact of the COVID-19 pandemic upon the Organization. At this time, an estimate of the impact upon the Organization's future financial statements cannot be made.