

**Now I Lay Me Down To Sleep**

**Financial Statements**  
with Independent Auditor's Report

**June 30, 2023 and 2022**



**HINKLE &  
COMPANY**  
*Strategic* <sup>PC</sup>  
*Business Advisors*

# Now I Lay Me Down To Sleep

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June 30, 2023 and 2022

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**HINKLE &  
COMPANY**  
Strategic <sup>PC</sup>  
Business Advisors

## Independent Auditor's Report

Board of Directors  
Now I Lay Me Down To Sleep  
Littleton, Colorado

We have audited the financial statements of Now I Lay Me Down To Sleep (NILMDTS), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NILMDTS as of June 30, 2023 and 2022, 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.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NILMDTS and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibility of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NILMDTS's ability to continue as a going concern for one year after the date that the financial statements are issued.

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## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 NILMDTS's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about NILMDTS's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Englewood, Colorado  
October 12, 2023

*Hick & Company, PC*



**Now I Lay Me Down To Sleep**  
**Statements of Financial Position**  
June 30, 2023 and 2022

	2023	2022
<b>Assets</b>		
<i>Current Assets</i>		
Cash and Cash Equivalents	\$ 731,168	\$ 927,717
Accounts Receivable	13,150	15,825
Prepaid Expenses	7,480	6,557
Total Current Assets	751,798	950,099
 <i>Property and Equipment</i>		
Website and Improvements	107,107	107,107
Software	334,460	256,100
Furniture and Equipment	4,828	4,828
	446,395	368,035
Accumulated Depreciation	(304,852)	(224,565)
Total Property and Equipment	141,543	143,470
Total Assets	\$ 893,341	\$ 1,093,569
 <b>Liabilities and Net Assets</b>		
<i>Current Liabilities</i>		
Accounts Payable	\$ 16,747	\$ 14,660
Accrued Liabilities	78,396	44,006
Deferred Revenue	-	-
Total current liabilities	95,143	58,666
 <i>Net Assets</i>		
Net Assets Without Donor Restrictions		
Undesignated	798,198	1,034,903
Net Assets With Donor Restrictions	-	-
Total Net Assets	798,198	1,034,903
Total Liabilities and Net Assets	\$ 893,341	\$ 1,093,569

**Now I Lay Me Down To Sleep**  
Statement of Activities  
For the Year Ended June 30, 2023

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
<b>Support and Revenue</b>			
Contributions	\$ 720,467	\$ -	\$ 720,467
Special Events	235,946	-	235,946
Care Packages	6,288	-	6,288
Merchandise Sales	17,956	-	17,956
Other Income	24,914	-	24,914
In-Kind Contributions	8,074,000	-	8,074,000
Net Assets Released from Restriction	-	-	-
Total Support and Revenue	9,079,571	-	9,079,571
<b>Expenses</b>			
Program Services	9,096,782	-	9,096,782
Supporting Services:			
General and Administrative	48,553	-	48,553
Fundraising	170,941	-	170,941
Total Expenses	9,316,276	-	9,316,276
<b>Change in Net Assets</b>	(236,705)	-	(236,705)
<b>Net Assets, Beginning of Year</b>	1,034,903	-	1,034,903
<b>Net Assets, End of Year</b>	\$ 798,198	\$ -	\$ 798,198

**Now I Lay Me Down To Sleep**  
Statement of Activities  
For the Year Ended June 30, 2022

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
<b>Support and Revenue</b>			
Contributions	\$ 984,978	\$ 19,009	\$ 1,003,987
Special Events	129,403	-	129,403
Care Packages	19,009	-	19,009
Merchandise Sales	50,052	-	50,052
Other Income	6,000	-	6,000
In-kind Contributions	7,620,000	-	7,620,000
Net Assets Released from Restriction	28,009	(28,009)	-
Total Support and Revenue	8,837,451	(9,000)	8,828,451
<b>Expenses</b>			
Program Services	8,431,711	-	8,431,711
Supporting Services:			
General and Administrative	38,782	-	38,782
Fundraising	134,400	-	134,400
Total Expenses	8,604,893	-	8,604,893
<b>Change in Net Assets</b>	232,558	(9,000)	223,558
<b>Net Assets, Beginning of Year</b>	802,345	9,000	811,345
<b>Net Assets, End of Year</b>	\$ 1,034,903	\$ -	\$ 1,034,903

**Now I Lay Me Down To Sleep**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2023**

	Program	General & Administrative	Fundraising	Total
Salaries and Wages	\$ 567,642	\$ 25,795	\$ 80,357	\$ 673,794
Payroll Taxes and Benefits	86,361	2,729	12,011	101,101
Photography	8,074,000	-	-	8,074,000
Remembrance Walk	75,876	-	3,223	79,099
Office Supplies	903	57	35	995
Postage	17,955	379	6,623	24,957
Printing and Copying	8,882	109	5,027	14,018
Contract Services	48,292	2,309	24,675	75,276
Rent	2,923	269	168	3,360
Care Packages	14,353	-	-	14,353
Marketing	15,032	806	4,393	20,231
Conferences	5,358	137	86	5,581
Meetings and Travel	32,272	2,210	1,059	35,541
Computers and Software	27,043	1,347	4,250	32,640
Dues and Subscriptions	2,162	186	117	2,465
Bank Charges	6,733	619	387	7,739
Telephone and Internet	3,289	303	188	3,780
Staff Development	9,336	822	513	10,671
Insurance	1,793	1,688	103	3,584
Training and Education	2,897	269	166	3,332
Volunteer Appreciation and Retention	7,771	293	183	8,247
All Other Expense	10,529	8,226	27,377	46,132
Total Expenses Before Depreciation	<u>9,021,402</u>	<u>48,553</u>	<u>170,941</u>	<u>9,240,896</u>
Depreciation	<u>75,380</u>	<u>-</u>	<u>-</u>	<u>75,380</u>
<b>Total Expenses</b>	<b><u>\$ 9,096,782</u></b>	<b><u>\$ 48,553</u></b>	<b><u>\$ 170,941</u></b>	<b><u>\$ 9,316,276</u></b>

**Now I Lay Me Down To Sleep**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2022**

	Program Services	Management & General	Fundraising	Total
Salaries and Wages	\$ 416,211	\$ 19,888	\$ 61,955	\$ 498,054
Payroll Taxes and Benefits	67,306	2,264	9,965	79,535
Photography	7,620,000	-	-	7,620,000
Remembrance Walk	54,880	-	2,331	57,211
Office Supplies	1,150	73	45	1,268
Postage	24,376	515	8,991	33,882
Printing and Copying	13,913	170	7,873	21,956
Contract Services	23,106	1,105	11,806	36,017
Rent	2,487	229	143	2,859
Care Packages	13,491	-	-	13,491
Marketing	21,125	1,132	6,174	28,431
Conferences	8,592	220	138	8,950
Meetings and Travel	12,587	862	413	13,862
Computers and Software	22,952	1,143	3,607	27,702
Dues and Subscriptions	4,339	374	234	4,947
Bank Charges	24,400	2,243	1,402	28,045
Telephone and Internet	2,042	188	117	2,347
Staff Development	5,438	479	299	6,216
Insurance	2,043	1,922	117	4,082
Training and Education	366	34	21	421
Volunteer Appreciation and Retention	9,857	371	232	10,460
All Other Expense	5,333	5,570	18,537	29,440
Total Expenses Before Depreciation	<u>8,355,994</u>	<u>38,782</u>	<u>134,400</u>	<u>8,529,176</u>
Depreciation	<u>75,717</u>	<u>-</u>	<u>-</u>	<u>75,717</u>
<b>Total Expenses</b>	<b><u>\$ 8,431,711</u></b>	<b><u>\$ 38,782</u></b>	<b><u>\$ 134,400</u></b>	<b><u>\$ 8,604,893</u></b>

**Now I Lay Me Down To Sleep**  
**Statements of Cash Flows**  
For the Years Ended June 30, 2023 and 2022

	2023	2022
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ (236,705)	\$ 223,558
Adjustments to reconcile change in Net Assets to Cash Provided by (Used In) Operating Activities		
Depreciation Expense	75,380	75,717
PPP Loan Forgiveness	-	-
Changes in Operating Assets and Liabilities:		
Accounts Receivable	2,675	(2,497)
Prepaid Expenses	(923)	3,410
Accounts Payable	2,087	(2,793)
Accrued Liabilities	34,390	2,133
Deferred Revenue	-	(30,000)
	(123,096)	269,528
<b>Cash Flows from Investing Activities</b>		
Acquisition of Fixed Assets	(73,453)	(113,400)
	(73,453)	(113,400)
<b>Net Increase (Decrease) in Cash</b>	(196,549)	156,128
<b>Cash and Cash Equivalents, <i>Beginning of Year</i></b>	927,717	771,589
<b>Cash and Cash Equivalents, <i>End of Year</i></b>	\$ 731,168	\$ 927,717

# Now I Lay Me Down To Sleep

Notes to Financial Statements

June 30, 2023 and 2022

## **Note 1: Nature of Operations and Summary of Significant Accounting Policies**

Now I Lay Me Down To Sleep (NILMDTS) was organized in 2005 in the State of Colorado. NILMDTS offers the gift of healing, hope and honor to parents experiencing the death of a baby through the overwhelming power of remembrance portraits. Professional-level photographers volunteer their time to capture the only moments parents spend with their babies and gift the beautiful heirloom portraits free of charge. These priceless images serve as an important step in the healing recovery for bereaved families. NILMDTS remembrance photography validates the existence and presence of these precious babies by honoring their legacy.

### **Program Services**

NILMDTS recruits, trains, and mobilizes professional quality photographers around the world. Through NILMDTS, medical personnel are given a meaningful option to offer bereaved parents by creating remembrance portraiture for the babies. NILMDTS also offers the Medical Affiliate Program in which medical professionals can be trained to photograph babies while also earning continuing education units.

Through further engagement in the organization, such as the NILMDTS Remembrance Walk and online support, families become a part of a compassionate and supportive community. Parents gain a sense of inclusiveness, alleviating alienation and perception of being alone in the pregnancy or infant loss journey.

NILMDTS is primarily supported by contributions, special events, and in-kind donations of professional photography services.

### **Supporting Services**

General and Administrative - The process of providing overall direction of the affairs of NILMDTS.

Fundraising - Activities to secure increased support for NILMDTS; program services.

### **Basis of Accounting**

The accrual basis of accounting is used for financial reporting purposes in accordance with generally accepted accounting principles.

### **Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its FASB ASC 958-210, "*Financial Statements of Not-for-Profit Organizations*". Under this guidance, Now I Lay Me Down To Sleep is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restrictions.

# Now I Lay Me Down To Sleep

## Notes to Financial Statements

June 30, 2023 and 2022

### **Note 1: Nature of Operations and Summary of Significant Accounting Policies** (Continued)

#### **Basis of Presentation** (Continued)

*Net Assets Without Donor Restrictions* - Consists of assets, public support, and program revenues, which are available and used for general operations and programs. Contributions are considered available for general use unless specifically restricted by the donor.

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

#### **Cash and Cash Equivalents**

Cash and cash equivalents consist of funds deposited in checking and savings accounts, certificates of deposit, and temporary investments having a maturity of three months or less.

#### **Accounts and Contributions Receivable**

Accounts and contributions receivable are considered fully collectible within one year; therefore, neither an allowance for uncollectible receivables nor a discount to net present value has been recorded.

#### **Property and Equipment**

Property and equipment with a cost of \$500 or more is capitalized. The fair value of donated assets is similarly capitalized. Depreciation of furniture and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

#### **Contributions**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence or nature of donor restrictions. Support which is restricted by the donor is recorded as temporarily restricted, whether or not the restriction is satisfied in the same reporting period.

#### **Functional Expenses**

The costs attributable to program services and expenses associated with management and general expenses and financial development have been reported in the accompanying financial statements on a functional basis. Accordingly, certain costs have been allocated among the program expenses, management and general expenses, and financial development expenses based on estimates made by management based on the time expended or another reasonable basis.

# Now I Lay Me Down To Sleep

## Notes to Financial Statements

June 30, 2023 and 2022

### **Note 1: Nature of Operations and Summary of Significant Accounting Policies** (Continued)

#### **Use of Estimates**

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

#### **Income Tax Status**

NILMDTS is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation. NILMDTS follows FASB ASC 740 *Income Taxes*, which requires entities to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority. NILMDTS has evaluated tax positions taken related to its tax-exempt status, and none are considered to be uncertain; therefore, no amounts have been recognized as of June 30, 2023 and 2022.

#### **Subsequent Events**

Subsequent events have been evaluated through October 12, 2023, the date the financial statements were available to be issued.

### **Note 2: Cash and Cash Equivalents**

NILMDTS maintains several bank accounts. The table below is designed to disclose the level of custody risk assumed by NILMDTS based upon how its deposits were insured at June 30, 2023 and 2022. FDIC regulations state that time and savings accounts are insured up to \$250,000 per depositor, per insured bank.

*Category 1 - Insured by FDIC or collateralized with securities held by the NILMDTS or by its agent in its name.*

*Category 2 - Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in NILMDTS' name.*

*Category 3 - Uninsured and uncollateralized.*

## Now I Lay Me Down To Sleep

### Notes to Financial Statements

June 30, 2023 and 2022

#### Note 2: Cash and Cash Equivalents (Continued)

	Total Bank Balance	Custody (Category 1)	Credit Risk (Category 1)	Uninsured (Category 1)
June 30, 2023				
Demand Deposits	\$ 75,030	\$ 75,030	\$ -	\$ -
Savings Deposits	656,138	174,970	-	481,168
	<u>\$ 731,168</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 481,168</u>
June 30, 2022				
Demand Deposits	\$ 381,608	\$ 250,000	\$ -	\$ 131,608
Savings Deposits	550,074	-	-	550,074
Totals	<u>\$ 931,682</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 681,682</u>

#### Note 3: Accounts Receivable

Accounts receivable reflected in the statement of financial position for the years ended June 30, 2023 and 2022 are \$13,150 and \$15,825, respectively, and represent amounts due for services provided or contributions receivable. Accounts receivable are considered to be fully collectible within one year, therefore, no allowance for uncollectible accounts has been recorded.

#### Note 4: In-kind Contributions

During the year ended June 30, 2023 and 2022, NILMDTS recognized in-kind contributions of 4,037 and 3,810 professional photography sessions, respectively; valued at \$2,000 per session, which totaled \$8,074,000 and \$7,620,000, respectively. In addition, NILMDTS received other volunteer services not meeting the criteria for recognition and accordingly, their value was not recorded.

#### Note 5: Functional Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. An analysis of time spent by personnel in each of the functional areas has been performed by management. Personnel expenses, certain professional service fees, office supplies, office rent, phone/internet, liability insurance, and credit card processing fees are allocated based on estimates of time and effort.

## Now I Lay Me Down To Sleep

### Notes to Financial Statements

June 30, 2023 and 2022

#### Note 6: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2023	2022
Cash and Cash Equivalents	\$ 731,168	\$ 927,717
Accounts Receivable	13,150	15,825
Available Assets at June 30,	<u>744,318</u>	<u>943,542</u>
Less: Those Unavailable for General Expenditures Within One Year, Due To:		
Donor-imposed Time or Purpose Restrictions	<u>-</u>	<u>-</u>
Totals	<u>\$ 744,318</u>	<u>\$ 943,542</u>

NILMDTS is substantially supported by grants and contributions. Financial assets are managed to be available as its general expenditures, liabilities, and other obligations come due.