

CRISIS TEXT LINE, INC.
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019
AND
INDEPENDENT AUDITORS' REPORT

CRISIS TEXT LINE, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Crisis Text Line, Inc.

We have audited the accompanying financial statements of Crisis Text Line, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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 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 auditor's 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 Organization'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 Organization'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.

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crisis Text Line, Inc. as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Friedman LLP". The signature is written in a cursive, flowing style.

November 18, 2021

CRISIS TEXT LINE, INC.

STATEMENTS OF FINANCIAL POSITION

	December 31,	
	2020	2019
ASSETS		
Cash and cash equivalents	\$ 39,724,772	\$ 8,192,975
Certificates of deposit	275,312	275,173
Contributions receivable	5,231,760	5,102,554
Prepaid expenses and other assets	379,443	87,049
Investment, at fair value	18,224,520	25,561,342
Investment in Loris.ai, Inc.	53	53
Accrued interest receivable	71,197	144,348
Inventory	6,223	21,398
Property and equipment, net	18,881	28,457
Security deposits	760	2,409
Total assets	\$ 63,932,921	\$ 39,415,758
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 1,436,550	\$ 1,173,551
Deferred rent	138,392	119,958
Total liabilities	1,574,942	1,293,509
Commitments and contingencies		
Net assets		
Without donor restrictions	58,103,779	32,117,235
With donor restrictions	4,254,200	6,005,014
Total net assets	62,357,979	38,122,249
Total liabilities and net assets	\$ 63,932,921	\$ 39,415,758

See notes to financial statements.

CRISIS TEXT LINE, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions	\$ 46,115,274	\$ 2,992,200	\$ 49,107,474
Contributions in-kind	780,295	-	780,295
Investment income	166,543	-	166,543
Miscellaneous	21,299	-	21,299
Net assets released from restrictions	4,743,014	(4,743,014)	-
Total support and revenues	51,826,425	(1,750,814)	50,075,611
Expenses			
Program expenses			
Crisis Counselor Community	4,669,027	-	4,669,027
Supervision	6,060,034	-	6,060,034
Engineering and Tech	5,728,667	-	5,728,667
Data	1,173,016	-	1,173,016
International Expansion	844,929	-	844,929
Total program expenses	18,475,673	-	18,475,673
Supporting services			
Management and general	6,645,917	-	6,645,917
Fundraising	718,291	-	718,291
Total supporting services	7,364,208	-	7,364,208
Total expenses	25,839,881	-	25,839,881
Change in net assets	25,986,544	(1,750,814)	24,235,730
Net assets, beginning of year	32,117,235	6,005,014	38,122,249
Net assets, end of year	\$ 58,103,779	\$ 4,254,200	\$ 62,357,979

See notes to financial statements.

CRISIS TEXT LINE, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues			
Contributions	\$ 14,012,205	\$ 3,099,000	\$ 17,111,205
Contributions in-kind	2,693,138	-	2,693,138
Investment income	696,980	-	696,980
Miscellaneous	63,498	-	63,498
Net assets released from restrictions	3,910,088	(3,910,088)	-
Total support and revenues	21,375,909	(811,088)	20,564,821
Expenses			
Program expenses			
Crisis Counselor Community	2,049,707	-	2,049,707
Supervision	3,599,259	-	3,599,259
Engineering and Tech	3,642,297	-	3,642,297
Data	917,777	-	917,777
International Expansion	1,696,710	-	1,696,710
Total program expenses	11,905,750	-	11,905,750
Supporting services			
Management and general	4,378,160	-	4,378,160
Fundraising	1,893,845	-	1,893,845
Total supporting services	6,272,005	-	6,272,005
Total expenses	18,177,755	-	18,177,755
Change in net assets	3,198,154	(811,088)	2,387,066
Net assets, beginning of year	28,919,081	6,816,102	35,735,183
Net assets, end of year	\$ 32,117,235	\$ 6,005,014	\$ 38,122,249

See notes to financial statements.

CRISIS TEXT LINE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2020

	Program Expenses						Supporting Services			
	Crisis Counselor Community	Supervision	Engineering and Tech	Data	International Expansion	Total Program	Management and General	Fundraising	Total Supporting	Total Expenses
Personnel costs										
Salaries	\$ 2,394,524	\$ 4,155,410	\$ 3,620,768	\$ 715,056	\$ 153,073	\$ 11,038,831	\$ 2,464,451	\$ 488,608	\$ 2,953,059	\$ 13,991,890
Payroll taxes and benefits	631,977	1,357,367	835,136	126,614	43,369	2,994,463	881,274	107,581	988,855	3,983,318
Total personnel costs	3,026,501	5,512,777	4,455,904	841,670	196,442	14,033,294	3,345,725	596,189	3,941,914	17,975,208
Other expenses										
Business Tax and Licenses	-	-	-	-	-	-	1,147	-	1,147	1,147
Depreciation	-	-	-	-	-	-	9,576	-	9,576	9,576
Equipment purchases	73,998	65,159	19,076	11,212	2,400	171,845	38,644	7,662	46,306	218,151
Insurance	16,013	14,100	4,128	2,426	519	37,186	8,362	1,658	10,020	47,206
In-kind technology expenses	-	-	75,000	-	-	75,000	-	-	-	75,000
In-kind subscriptions	-	-	-	-	-	-	40,813	-	40,813	40,813
In-kind legal expenses	-	-	-	-	-	-	664,482	-	664,482	664,482
Office expenses	38,311	50,744	16,349	4,904	1,220	111,528	31,692	21,483	53,175	164,703
Professional fees	77,336	182,813	620,826	162,600	255,595	1,299,170	2,043,352	39,757	2,083,109	3,382,279
Rent and utilities	233,187	205,331	60,114	35,333	7,564	541,529	121,776	24,144	145,920	687,449
Repairs and maintenance	8,130	7,158	2,096	1,232	264	18,880	4,245	842	5,087	23,967
Marketing and public relations	-	-	-	-	20,000	20,000	118,352	-	118,352	138,352
Subscriptions	153,470	11,600	311,569	106,343	40,270	623,252	168,110	21,178	189,288	812,540
Tech support and hosting	-	-	161,580	-	315,006	476,586	42	-	42	476,628
Travel and meetings	8,339	10,292	2,025	7,296	5,649	33,601	49,554	5,378	54,932	88,533
Volunteer expenses	231,742	60	-	-	-	231,802	45	-	45	231,847
Grants	802,000	-	-	-	-	802,000	-	-	-	802,000
Total other expenses	1,642,526	547,257	1,272,763	331,346	648,487	4,442,379	3,300,192	122,102	3,422,294	7,864,673
Total expenses	\$ 4,669,027	\$ 6,060,034	\$ 5,728,667	\$ 1,173,016	\$ 844,929	\$ 18,475,673	\$ 6,645,917	\$ 718,291	\$ 7,364,208	\$ 25,839,881

See notes to financial statements.

CRISIS TEXT LINE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

	Program Expenses						Supporting Services			Total Expenses
	Crisis Counselor Community	Supervision	Engineering and Tech	Data	International Expansion	Total Program	Management and General	Fundraising	Total Supporting	
Personnel costs										
Salaries	\$ 1,237,903	\$ 2,370,825	\$ 2,094,080	\$ 402,783	\$ 1,022,081	\$ 7,127,672	\$ 1,447,016	\$ 275,719	\$ 1,722,735	\$ 8,850,407
Payroll taxes and benefits	395,565	763,475	532,873	87,389	133,087	1,912,389	447,777	82,498	530,275	2,442,664
Total personnel costs	1,633,468	3,134,300	2,626,953	490,172	1,155,168	9,040,061	1,894,793	358,217	2,253,010	11,293,071
Other expenses										
Depreciation	-	-	-	-	-	-	18,126	-	18,126	18,126
Equipment purchases	5	718	-	-	30	753	3,138	-	3,138	3,891
Insurance	-	-	-	-	5,063	5,063	30,509	-	30,509	35,572
In-kind advertising expenses	-	-	-	-	-	-	485,050	1,436,100	1,921,150	1,921,150
In-kind technology expenses	-	-	265,563	-	245,031	510,594	-	5,793	5,793	516,387
In-kind subscriptions	-	-	-	-	-	-	61,305	-	61,305	61,305
In-kind legal expenses	-	-	-	-	63,775	63,775	130,521	-	130,521	194,296
Office expenses	6,317	1,023	49	375	1,540	9,304	51,097	12,275	63,372	72,676
Professional fees	75,170	391,286	250,569	97,629	67,027	881,681	919,059	35,387	954,446	1,836,127
Rent and utilities	104,781	38,290	176,356	119,750	15,052	454,229	342,279	29,937	372,216	826,445
Repairs and maintenance	3,826	1,092	6,012	4,372	547	15,849	11,477	1,092	12,569	28,418
Marketing and public relations	-	-	-	-	219	219	-	4,558	4,558	4,777
Subscriptions	50,630	11,681	258,029	162,691	52,709	535,740	75,897	3,362	79,259	614,999
Tech support and hosting	-	-	50,294	-	43,746	94,040	10	-	10	94,050
Travel and meetings	8,154	20,869	8,472	42,788	46,803	127,086	354,899	7,124	362,023	489,109
Volunteer expenses	167,356	-	-	-	-	167,356	-	-	-	167,356
Total other expenses	416,239	464,959	1,015,344	427,605	541,542	2,865,689	2,483,367	1,535,628	4,018,995	6,884,684
Total expenses	\$ 2,049,707	\$ 3,599,259	\$ 3,642,297	\$ 917,777	\$ 1,696,710	\$ 11,905,750	\$ 4,378,160	\$ 1,893,845	\$ 6,272,005	\$ 18,177,755

See notes to financial statements.

CRISIS TEXT LINE, INC.

STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 24,235,730	\$ 2,387,066
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	9,576	18,126
Net realized and unrealized loss (gains) on investments	281,616	(143,830)
Changes in assets and liabilities		
Contributions receivable	(129,206)	1,161,746
Prepaid expenses and other assets	(292,394)	4,484
Accrued interest receivable	73,151	(144,348)
Inventory	15,175	7,221
Security deposits	1,649	5,175
Accounts payable and accrued expenses	262,999	825,016
Deferred revenue	-	(198,789)
Deferred rent	18,434	24,158
Net cash provided by operating activities	24,476,730	3,946,025
Cash flows from investing activities		
Purchase of property and equipment	-	(23,372)
Proceeds from sale of property and equipment	-	3,273
Purchase of investments	(37,772,467)	(22,252,841)
Proceeds from sale of investments	44,827,673	16,052,740
Net cash provided by (used in) investing activities	7,055,206	(6,220,200)
Net increase (decrease) in cash and cash equivalents	31,531,936	(2,274,175)
Cash and cash equivalents, beginning of year	8,468,148	10,742,323
Cash and cash equivalents, end of year	\$ 40,000,084	\$ 8,468,148
Reconciliation of cash and cash equivalents, beginning of year		
Cash and cash equivalents	\$ 8,192,975	10,375,420
Certificates of deposit	275,173	366,903
Cash and cash equivalents, beginning of year	\$ 8,468,148	\$ 10,742,323
Reconciliation of cash and cash equivalents, end of year		
Cash and cash equivalents	\$ 39,724,772	8,192,975
Certificates of deposit	275,312	275,173
Cash and cash equivalents, end of year	\$ 40,000,084	\$ 8,468,148

See notes to financial statements.

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

1 - ORGANIZATION AND NATURE OF ACTIVITIES

Crisis Text Line, Inc. (“CTL, Inc.” or the “Organization”), a not-for-profit organization, was incorporated in the State of New York on April 2, 2012. CTL, Inc.’s primary purpose is to use technology and data innovations to pioneer new approaches to support people in need. CTL, Inc.’s major program services include the following:

Crisis Counselor Community - all costs associated with recruiting and retaining volunteers; development and training and cultural competencies in the community to appropriately communicate with and promote CTL, Inc. as a service to all communities.

Supervision - a dedicated group of paid supervisors that service and manage crisis counselors and oversee all texters on the CTL, Inc. platform.

Engineering and Tech - coding, refining, and supporting the CTL, Inc. texting platform.

Data - a dedicated group of data scientists that collect and share statistical data and develop metrics from texting activity and crisis counselor demographics.

International Expansion - all costs associated with setting up partnerships with organizations outside of the United States to expand texting services globally.

On October 20, 2015, CTL, Inc. formed a wholly owned limited liability company organized in New York, called Crisis Text Line International, LLC (“CTLI”). To date, there has been no activity in CTLI. On October 18, 2018, final paperwork was submitted to the New York State Department of State to dissolve CTLI. On August 12, 2019, CTLI was formally dissolved.

CTL, Inc. receives its support primarily from donations from foundations and individuals.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

The financial statement presentation is in accordance with Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”) 958, “Not-for-Profit Entities”. Under ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: those without donor restrictions and those with donor restrictions.

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Net assets without donor restrictions are those net assets that are not subject to donor-imposed restrictions. Net assets with donor restrictions are subject to donor stipulations that limit the use of their contributions, which either expire by the passage of time or when used for specified purposes.

Use of Estimates

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

Cash and Cash Equivalents

Cash balances in banks are insured by the Federal Deposit Insurance Corporation subject to certain limitations. For financial statement purposes, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments which consist of fixed income securities are carried at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Realized and unrealized gains and losses are reflected in the statements of activities. To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization purchases fixed income securities and Treasury bonds to achieve its long-term and short-term return objectives, while maintaining portfolio stability and preserving capital. Donated securities are recorded at their fair market value on the date received.

The Organization uses the equity method to account for its investment in Loris.ai where it has significant influence, but not control. Ownership in Loris.ai does not exceed 50%. Under the equity method, the Organization initially records its investment at cost, and then recognizes in earnings its proportionate share of the income and loss of Loris.ai.

Fair Value

GAAP establishes 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 quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value (Continued)

Under GAAP, the three levels of the fair value hierarchy are described as follows:

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; and
- 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: Unobservable inputs that reflect management's own assumptions.

Property and Equipment

Office furniture, equipment and software are carried at cost if purchased, or if acquired in-kind, at their fair market value at the date of the gift. Any expenditure over \$1,000 in these categories is capitalized. Fixed assets are depreciated using the straight-line basis over the estimated useful lives of the assets.

Contributions Receivable

Contributions receivable are recorded at net realizable value if expected to be collected in one year and, if material, multiyear receivables are recorded at the present value of their estimated future cash flow. If applicable, amortization of the discount is included in contribution revenue. The allowance for uncollectible contributions receivable is determined based on management's evaluation of the collectability of individual promises. There were no significant contributions that management deemed to be uncollectible as of December 31, 2020 and 2019.

Contribution Revenue

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Contributions are considered conditional when the underlying agreement includes a performance barrier and a right of return or a right to release promised assets exists. Conditional promises to give are not recognized until the performance barrier and the right of return or release have been overcome.

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-Kind Contributions

Contributions of donated noncash assets are recorded at fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets, or that require specialized skills, provided by individuals possessing those skills and typically required to be purchased if not provided by donation, are recorded at fair value in the period received.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one supporting function. As such, some expenses require allocation that properly reflects shared costs at a reasonable basis that is consistently applied.

The Organization utilizes a hybrid approach to expense allocation between program expenses and support services. The Organization estimates percentages of time spent on projects related to program expenses and supporting services and eligible employee benefits, taxes and salaries, etc. are allocated based upon this estimated percentage. Specific expenses related to technology, professional fees, travel, and other classifications are directly charged to the function for which they are related. Administrative costs including general liability and business operations are directly charged as management overhead. Rent, utilities and other office expenses have been allocated based on a weighted average of personnel and their estimated percentage of time spent to projects related to program expenses and supporting services.

In 2020, The Organization incurred significant nonrecurring expenses. In 2019, the Organization received a large in-kind donation. Both items were included in its supporting services category. For the year ended December 31, 2020, excluding these items would result in an adjustment of the Organization's ratio of programmatic expense to supporting expense from 71% and 29% to 73% and 27%. For the year ended December 31, 2019, excluding this in-kind donation would result in the Organization's ratio of programmatic expense to supporting expense from 66% and 34% to 71% and 29%.

Accounting for Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal, state or local income taxes has been recorded.

Subsequent Events

These financial statements were approved by management and available for issuance on November 18, 2021. Management has evaluated subsequent events through this date.

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

3 - CONTRIBUTIONS RECEIVABLE

Contributions receivable consisted of the following:

	December 31,	
	2020	2019
Amount due in less than one year	\$ 5,231,760	\$ 4,127,554
Amount due from one to five years	-	975,000
	\$ 5,231,760	\$ 5,102,554

4 - INVESTMENTS

The following table sets forth, by level, the Organization’s investments at fair value, within the fair value hierarchy:

		2020 Fair Value Measurement Using		
Description	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		Fixed income securities	\$ 18,224,520	\$ 18,224,520

		2019 Fair Value Measurement Using		
Description	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		Fixed income securities	\$ 25,561,342	\$ 25,561,342

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

4 - INVESTMENTS (Continued)

Net investment income (including interest income from the certificate of deposit) consisted of the following:

	Year Ended December 31,	
	2020	2019
Interest and dividends	\$ 448,159	\$ 553,150
Net unrealized and realized gains (losses)	(281,616)	143,830
Net investment income	\$ 166,543	\$ 696,980

Included in interest and dividends for the years ended December 31, 2020 and 2019 is accrued interest of \$71,197 and \$144,348, respectively.

5 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	December 31,	
	2020	2019
Equipment	\$ 72,963	\$ 72,963
Furniture and fixtures	23,103	23,103
	96,066	96,066
Less - Accumulated depreciation	77,185	67,609
	\$ 18,881	\$ 28,457

Depreciation expense amounted to \$9,576 and \$18,126 for the years ended December 31, 2020 and 2019, respectively.

6 - CONCENTRATIONS

For the year ended December 31, 2020, two donors accounted for 62% and 10% of total support and revenues, respectively.

For the year ended December 31, 2019, one donor accounted for 12% of total support and revenues.

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

7 - IN-KIND CONTRIBUTIONS

Contributions in-kind that are included in the financial statements consisted of the following:

Type of Service Received	Year Ended December 31,	
	2020	2019
	Value of Services	
Advertising	\$ -	\$ 1,921,150
Technology	75,000	516,387
Subscriptions	40,813	61,305
Legal:		
Gibson, Dunn and Crutcher LLP	479,665	113,814
Kestenberg Siegal Lipkus LLP	-	1,395
Walden Macht & Haran LLP	177,993	-
Cozen O'Connor LLP	-	17,631
Crowell and Morning LLP	6,184	61,456
Duane Morris LLP	640	-
Total legal	655,482	194,296
	\$ 780,295	\$ 2,693,138

8 - COMMITMENTS AND CONTINGENCIES

Leases

The Organization leases 11,000 sq. ft. of office space under a noncancelable operating lease set to expire on September 30, 2026. As of December 31, 2020, the minimum aggregate annual rental commitments are approximately as follows:

Year Ending December 31,	
2021	\$ 698,000
2022	717,000
2023	739,000
2024	784,000
2025	805,000
Thereafter	477,000
	\$ 4,220,000

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

8 - COMMITMENTS AND CONTINGENCIES (Continued)

Leases (Continued)

In lieu of a security deposit for the office lease, the Organization was required to provide the landlord with a standby letter of credit. Total rent expense (excluding utilities) was \$622,610 and \$778,372 for the years ended December 31, 2020 and 2019, respectively.

Litigation

The Organization was a plaintiff (and defendant by counterclaim) in a lawsuit in Canada, involving a trademark dispute. On June 12, 2019, the parties signed a confidential conditional settlement agreement resolving the matter. Management of the Organization has deemed settlement to be immaterial in relation to the financial statements taken as a whole.

In the course of regular operations, the Organization is also subject to other potential litigation matters, which management has deemed to be immaterial to the financial statements taken as a whole.

Separation Agreement

On February 20, 2021, the Organization entered into a formal separation agreement with its former Chief Executive Officer. Any financial liabilities resulting from that agreement will be recognized in the Organization's 2021 financial statements.

9 - RETIREMENT PLAN

The Organization established a defined contribution pension plan covering substantially all of its employees. Pension expenses under this plan was \$295,872 and \$180,735 for the years ended December 31, 2020 and 2019, respectively.

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

10 - NET ASSETS WITH DONOR RESTRICTIONS

The following summarizes the changes in net assets with donor restrictions:

Program	Balance, January 1, 2020	Contributions	Released from Restrictions	Balance, December 31, 2020
Data	\$ 231,968	\$ -	\$ (31,968)	\$ 200,000
Time restriction	5,698,046	2,992,200	(4,711,046)	3,979,200
Other	75,000	-	-	75,000
Total	\$ 6,005,014	\$ 2,992,200	\$ (4,743,014)	\$ 4,254,200

Program	Balance, January 1, 2019	Contributions	Released from Restrictions	Balance, December 31, 2019
Data	\$ 699,435	\$ -	\$ (467,467)	\$ 231,968
International expansion	50,000	-	(50,000)	-
Time restriction	5,891,667	3,099,000	(3,292,621)	5,698,046
Other	175,000	-	(100,000)	75,000
Total	\$ 6,816,102	\$ 3,099,000	\$ (3,910,088)	\$ 6,005,014

CRISIS TEXT LINE, INC.

NOTES TO FINANCIAL STATEMENTS

11 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization’s financial assets due within one year of the date of these financial statements that are available for general expenditures, including grant funded activities, are as follows:

	December 31,	
	2020	2019
Cash and cash equivalents	\$ 39,724,772	\$ 8,192,975
Certificates of deposit	275,312	275,173
Contributions receivable	5,231,760	5,102,554
Investments, at fair value	18,224,520	25,561,342
Accrued interest receivable	71,197	144,348
Total financial assets	63,527,561	39,276,392
Less - amounts due in one to five years	-	(975,000)
Total financial assets available within one year	\$ 63,527,561	\$ 38,301,392

The Organization’s goal is to maintain liquidity to meet operational and strategic needs. Ongoing liquidity needs of the Organization are monitored to ensure that minimum cash-flow requirements are met.

12 - RISKS AND UNCERTAINTY

In December 2019, a novel strain of coronavirus (“COVID-19”) surfaced. The spread of COVID-19 around the world in the first quarter of 2020 has caused significant volatility in U.S. and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. and international economies and, as such, the Organization is unable to determine if it will have a material impact to its future operations.