



Last Mile Health

Financial Statements
Years Ended June 30, 2021 and 2020

Last Mile Health

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Last Mile Health

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Independent Auditor's Report

To the Board of Directors
Last Mile Health
Boston, Massachusetts

Opinion

We have audited the financial statements of Last Mile Health (a nonprofit organization, the "Organization"), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities 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 the Organization as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 the Organization 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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 the 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 the Organization'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 the Organization'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.

BDO USA, L.L.P.

November 30, 2021

Financial Statements

Last Mile Health
Statements of Financial Position

<i>June 30,</i>	2021	2020
Assets		
Current Assets:		
Cash and cash equivalents	\$ 25,195,480	\$ 23,784,237
Investments	-	2,591,968
Contributions receivable, net of long-term	2,106,681	3,156,129
Prepaid expenses and other current assets	583,875	218,338
Total Current Assets	27,886,036	29,750,672
Property and Equipment:		
Property and equipment	1,030,021	1,030,021
Less accumulated depreciation	(988,874)	(869,809)
Net Property and Equipment	41,147	160,212
Other Assets:		
Long-term contributions receivable	1,500,000	800,000
Security deposit	89,700	90,855
Total Other Assets	1,589,700	890,855
Total Assets	\$ 29,516,883	\$ 30,801,739
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 1,169,014	\$ 847,382
Accrued payroll and vacation	211,825	264,987
Accrued expenses and other current liabilities	20,473	32,525
Deferred revenue	3,550,000	3,675,000
Total Current Liabilities	4,951,312	4,819,894
Commitments (Notes 7 and 9)		
Net Assets:		
Without donor restrictions	14,536,814	10,736,354
With donor restrictions	10,028,757	15,245,491
Total Net Assets	24,565,571	25,981,845
Total Liabilities and Net Assets	\$ 29,516,883	\$ 30,801,739

See accompanying notes to financial statements.

Last Mile Health
Statement of Activities

<i>Year ended June 30, 2021</i>	Without Donor Restrictions	With Donor Restrictions	Totals
Revenues and Other Support:			
Grant revenue	\$ 15,967,098	\$ 7,640,198	\$ 23,607,296
Contributions	870,605	-	870,605
Interest income	52,960	-	52,960
Net realized and unrealized gain on investments	60,586	-	60,586
Net assets released from restrictions	12,856,932	(12,856,932)	-
Total Revenues and Other Support	29,808,181	(5,216,734)	24,591,447
Expenses:			
Program	20,186,273	-	20,186,273
General and administrative	4,445,518	-	4,445,518
Fundraising	1,375,930	-	1,375,930
Total Expenses	26,007,721	-	26,007,721
Change in Net Assets	3,800,460	(5,216,734)	(1,416,274)
Net Assets as of Beginning of Year	10,736,354	15,245,491	25,981,845
Net Assets as of End of Year	\$ 14,536,814	\$ 10,028,757	\$ 24,565,571

See accompanying notes to financial statements.

Last Mile Health
Statement of Activities

<i>Year ended June 30, 2020</i>	Without Donor Restrictions	With Donor Restrictions	Totals
Revenues and Other Support:			
Grant revenue	\$ 11,593,585	\$ 7,775,209	\$ 19,368,794
Contributions	1,017,665	185,094	1,202,759
Interest income	98,509	-	98,509
Net realized and unrealized gain on investments	73,565	-	73,565
Net assets released from restrictions	11,154,700	(11,154,700)	-
Total Revenues and Other Support	23,938,024	(3,194,397)	20,743,627
Expenses:			
Program	15,359,698	-	15,359,698
General and administrative	3,437,535	-	3,437,535
Fundraising	1,168,514	-	1,168,514
Total Expenses	19,965,747	-	19,965,747
Change in Net Assets	3,972,277	(3,194,397)	777,880
Net Assets as of Beginning of Year	6,764,077	18,439,888	25,203,965
Net Assets as of End of Year	\$ 10,736,354	\$ 15,245,491	\$ 25,981,845

See accompanying notes to financial statements.

Last Mile Health
Statements of Cash Flows

<i>Years ended June 30,</i>	2021	2020
Cash Flows from Operating Activities:		
Change in net assets	\$ (1,416,274)	\$ 777,880
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized and unrealized gain on investments	(60,586)	(73,565)
Depreciation and amortization	119,065	322,618
Increase in cash resulting from a change in:		
Contributions receivable	349,448	5,402,292
Prepaid expenses and other current assets	(365,537)	(83,557)
Security deposit	1,155	(67,862)
Accounts payable	321,632	550,228
Accrued payroll and vacation	(53,162)	57,968
Accrued expenses and other current liabilities	(12,052)	8,863
Deferred revenue	(125,000)	3,675,000
Net Cash (Used in) Provided by Operating Activities	(1,241,311)	10,569,865
Cash Flows from Investing Activities:		
Proceeds from (Purchases of) investments	2,652,554	(2,518,403)
Purchases of property and equipment	-	(114,240)
Net Cash Provided by (Used in) Investing Activities	2,652,554	(2,632,643)
Net Increase in Cash and Cash Equivalents	1,411,243	7,937,222
Cash and Cash Equivalents, beginning of year	23,784,237	15,847,015
Cash and Cash Equivalents, end of year	\$ 25,195,480	\$ 23,784,237

See accompanying notes to financial statements.

Last Mile Health

Notes to Financial Statements

1. Organization

Last Mile Health (the “Organization”), a 501(c)(3) organization, partners with governments to design, scale, strengthen, and sustain high-quality community health systems, which empower teams of community and frontline health workers to bring life-saving primary healthcare to the world’s most remote communities.

The Organization’s revenue is primarily made up of grant revenue and contributions from donors.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies followed by the Organization in the preparation of the accompanying financial statements is set forth below:

Basis of Presentation

The accounts of the Organization are maintained on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Net Assets

Net assets are classified into with donor restrictions and without donor restrictions, when appropriate, to properly disclose the nature and amount of significant resources that have been restricted in accordance with specified objectives as follows:

Without Donor Restrictions

Net assets that are not subject to donor-imposed stipulations and may be designated for specific purposes by action of the Board of Directors.

With Donor Restrictions

Net assets that are subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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 vary from the estimates that were used.

Cash and Cash Equivalents

Cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less, which are not held for investment purposes.

Last Mile Health

Notes to Financial Statements

Investments

Investments are reported at fair value, as determined by quoted market prices, in the statements of financial position. Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income is recorded on the accrual basis. Net appreciation includes the Organization's gains and losses on investments bought and sold, as well as held during the year.

Contributions Receivable

Unconditional promises to give that are expected to be collected or paid within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected or paid in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contributions receivable. Conditional promises to give are not included in support or expenses until conditions are substantially met.

The Organization provides an allowance for doubtful accounts equal to estimated contribution defaults. The estimated defaults are based on historical collection experience together with a review of the current status of existing receivables. There was an allowance for uncollectible receivables of \$20,000 and \$-0-, at June 30, 2021 and 2020, respectively.

Property and Equipment

All property and equipment are stated at cost. Major renewals, additions, and betterments greater than \$2,000 are charged to the property accounts, while replacements, maintenance, and repairs less than \$2,000, which do not improve or extend the lives of the respective assets, are expensed in the year incurred.

Depreciation

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

<i>Assets</i>	<i>Life in Years</i>
Motor vehicles	2-3
Furniture and equipment	3-7

Depreciation expense for the years ended June 30, 2021 and 2020, was \$119,065 and \$322,618, respectively.

Impairment of Long-Lived Assets

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 360-10-35, *Accounting for the Impairment or Disposal of Long-Lived Assets*, requires the Organization to review long-lived assets, such as property and equipment or intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be

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Notes to Financial Statements

generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. As of June 30, 2021 and 2020, the Organization did not recognize any impairment.

Non-Cash Contributions

Donated Materials and Contributed Services

Contributions of services are recognized in accordance with applicable accounting standards if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services are recorded at their estimated fair value at the date of receipt. Both the non-cash contributions and related expenses are recorded on the statements of activities.

Donated materials are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials received that are designated for future periods or restricted by the donor for a specific purpose are reported as contributions with donor restrictions. However, if the restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

Donated Humanitarian Aid

During the year ended June 30, 2021, the Organization received donated medical supplies and equipment to be used for the needs of the Organization's aid programs. The estimated fair value of such items was \$10,000 at the date of receipt.

Advertising

Advertising and promotional expenditures are expensed as incurred. There were no promotional expenses incurred during the years ended June 30, 2021 and 2020.

Grants and Contributions Revenue

Contributions and promises to give are recorded as revenue at the time they are made or pledged unconditionally and supported by a written commitment. Contributions are classified as either with or without donor restrictions. Contributions are nonexchange transactions in which no commensurate value is exchanged. Therefore, contributions fall under the purview of Accounting Standards Codification ("ASC") Topic 958, *Not-for-Profit Entities*.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of estimated future cash flows. Conditional promises to give are not included as support until such time as conditions are substantially met.

Deferred Revenues

Deferred revenues represent amounts received in advance of unconditional pledge.

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Notes to Financial Statements

Income Taxes

Last Mile Health is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (“IRC”). The Organization is classified by the Internal Revenue Service as other than a private organization. There are currently no federal or state income tax audits in progress.

Under ASC 740, an organization must recognize the financial statement effects of a tax position taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The Organization does not believe it has taken any material uncertain tax positions, and accordingly, it has not recorded any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. For the years ended June 30, 2021 and 2020, there were no interest or penalties recorded or included in the statements of activities.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update (“ASU”) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB issued ASU 2015-14, which deferred the effective date for nonpublic entities until annual periods beginning after December 15, 2018. Earlier adoption is permitted subject to certain limitations. The amendments in this update are required to be applied retrospectively to each prior reporting period presented or with the cumulative effect being recognized at the date of initial application. In June 2020, the FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities*, which, among other things, provides a one-year deferral of the effective date of ASC 606 for all privately-held entities that have not yet issued financial statements or made financial statements available. Accordingly, the effective date of Topic 606 for privately-held entities that chose to defer adoption of ASC 606 in accordance with ASU 2020-05 would apply the new revenue standard to annual reporting periods beginning after December 15, 2019. During the year ended June 30, 2021, the Organization adopted ASC 606 and applied it retrospectively to the prior reporting period. There was no impact of adoption on the Organization’s financial statements.

Subsequent Events

The Organization has evaluated subsequent events through November 30, 2021, which is the date the financial statements are available to be issued.

Subsequent to year end, it was determined that an immaterial amount of assets had been misappropriated by an employee. The Organization is currently investigating the issue but does not believe that the outcome has a material effect on the financial statements.

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3. Concentrations

Transactions with two and three donors accounted for approximately 70% and 68% of the Organization's contributions receivable as of June 30, 2021 and 2020, respectively. Transactions with two and one donors accounted for approximately 22% and 12% of the Organization's revenues and other support for the years ended June 30, 2021 and 2020, respectively.

The Organization has a potential concentration of credit risk in that it maintains deposits with a financial institution in excess of amounts insured by the Federal Deposit Insurance Corporation ("FDIC"). The maximum deposit insurance amount is \$250,000, which is applied per depositor, per insured depository institution for each account ownership category. As of June 30, 2021 and 2020, the Organization had \$23,653,949 and \$20,334,624, respectively, in excess of FDIC limits. These financial institutions have strong credit ratings, and management believes that credit risk related to these accounts is minimal. In addition, the Organization also holds cash deposits in foreign currency accounts totaling \$1,104,980 and \$607,607 at June 30, 2021 and 2020, respectively.

4. Investments

Investment securities are stated at fair value and were comprised of the following at:

<i>June 30, 2021</i>	Cost	Fair Value	Unrealized Fair Value
Common stocks	\$ -	\$ -	-

<i>June 30, 2020</i>	Cost	Fair Value	Unrealized Fair Value
Common stocks	\$ 2,517,057	\$ 2,591,968	\$ 74,911

Investment income from investments was comprised of the following components for the years ended June 30:

	2021	2020
Net realized and unrealized gains	\$ 60,586	\$ 73,565

5. Fair Value Measurements

The framework for measuring fair value 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 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.
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Level 2	Inputs to the valuation methodology include:
	<ul style="list-style-type: none">• 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.
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The asset 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 measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies at June 30, 2021. During the year ended June 30, 2021, the Organization sold all of its investments.

Common Stocks

Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although 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.

The following tables set forth by level, within the fair value hierarchy, the Organization's investments at fair value. There were no investments held at June 30, 2021.

<i>June 30, 2020</i>	Level 1	Level 2	Level 3	Total
Common Stocks:				
Consumer stocks	\$ 2,590,532	\$ -	\$ -	2,590,532
Healthcare stocks	1,436	-	-	1,436
Total Investments	\$ 2,591,968	\$ -	\$ -	2,591,968

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Notes to Financial Statements

6. Contributions Receivable

Contributions receivable consisted of the following:

<i>June 30,</i>	2021	2020
Total unconditional promises to give, net of discount	\$ 3,606,681	\$ 3,956,129
Less amount due in less than one year, net	2,106,681	3,156,129
Long-term Contributions Receivable	\$ 1,500,000	\$ 800,000

Future maturities on contributions receivable are as follows:

<i>Years ending June 30,</i>	
2022	\$ 2,106,681
2023	1,387,500
2024	112,500
	\$ 3,606,681

During the year ended June 30, 2020, the Organization received a programmatic cancellation notice from a donor. In accordance with GAAP, the \$1,250,000 receivable from that specific donor was written off as bad debt expense. The original donor commitment was made to advance a specific mobile money program for the Liberia National Community Health Assistant Program (“NCHAP”). Before advancing programming that would be supported by the commitment, the Organization (in agreement with the donor) undertook a rigorous assessment of Liberia NCHAP’s readiness to adopt the proposed mobile money solution in order to ensure effective use of the investment. Ultimately, the Organization determined the proposed mobile money solution was not suitable for the current market, and as a result, the Organization and the donor collaboratively determined mobile money programming should not move forward.

7. Line of Credit

On March 26, 2020, the Organization entered into a \$1,400,000 line of credit with a bank secured by the Organization’s assets. This credit facility bears an interest rate of 3.25% for the first year and is annually set at the Wall Street Journal Prime Floating Rate. As of June 30, 2021 and 2020, there was no outstanding balance on the line of credit. The line of credit is subject to certain reporting covenants with which the Organization was in compliance at June 30, 2021 and 2020.

8. Net Assets With Donor Restrictions

Net assets with donor restrictions were available for use as follows at June 30:

	2021	2020
Clinical programs in Liberia and Malawi	\$ 10,028,757	\$ 15,245,491

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Notes to Financial Statements

During 2021 and 2020, \$12,856,932 and \$11,154,700, respectively, was released from restriction by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors and was available to be used to support the programs of the Organization.

9. Operating Leases

The Organization has a lease agreement in Boston, Massachusetts, as well as a number of lease agreements throughout Liberia. The monthly rental payments range from \$20 to \$30,495 over the lives of the leases, which expire at various times until 2023. The total rent expense related to operating leases was \$545,574 and \$466,571 for the years ended June 30, 2021 and 2020, respectively.

Minimum annual future rental payments are as follows:

Years ending June 30

2022	\$	362,358
2023		182,973
Total	\$	545,331

10. Liquidity and Availability of Resources

The following reflects the Organization's financial assets as of the statements of financial position dates, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position dates.

<i>June 30,</i>	2021	2020
Cash and cash equivalents	\$ 25,195,480	\$ 23,784,237
Investments	-	2,591,968
Contributions receivable, due in one year (less allowance for uncollectible receivables of \$20,000 and \$0, respectively)	2,106,681	3,156,129
Total Financial Assets Available within One Year	27,302,161	29,532,334
Less those Unavailable for General Expenditures Within One Year, due to:		
Board designated reserve fund (see Note 11)	7,989,052	5,489,052
Donor-restriction to organization services	10,028,757	15,245,491
Total Financial Assets Available for General Expenditure within One Year	\$ 9,284,352	\$ 8,797,791

The Organization has a practice to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization maintains board designated net assets without donor restrictions that could

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be made available for current operations upon board's approval and have a line of credit that can be used to fund working capital and operational needs.

11. Net Assets Without Donor Restrictions

In 2018, the Board of Directors created a reserve fund for the Organization. This fund is intended to ensure the Organization maintains an adequate level of net assets without donor restrictions to support the Organization's day-to-day operations in the event of significant unforeseen shortfalls. Operating reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. For the years ended June 30, 2021 and 2020, the balance of board designated reserve was \$7,989,052 and \$5,489,052, respectively, and is included in total net assets without donor restrictions.

12. Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function of the Organization. These expenses are allocated on a functional basis using hours and headcount applied to the Organization's various programs and supporting services. Expenses that can be identified with a specific program and support service are allocated directly according to their expenditure classification.

The tables below present expenses by both their nature and their function for the years ended June 30, 2021 and 2020:

June 30, 2021	Program	General and Administrative	Fundraising	Total Expenses
Salaries and benefits	\$ 8,240,199	\$ 2,292,849	\$ 1,299,109	\$ 11,832,157
Supplies and materials	3,981,461	632	-	3,982,093
Consultancy and contractors	2,190,037	931,086	17,384	3,138,507
Travel	1,124,375	15,021	-	1,139,396
Vehicles and equipment	1,017,801	49,414	-	1,067,215
Occupancy	415,835	373,714	-	789,549
Training	578,721	9,503	11,160	599,384
Depreciation	119,065	-	-	119,065
Office	424,812	49,830	937	475,579
Professional services	232,398	128,450	21,444	382,292
Meetings	673,992	29	155	674,176
Professional development	45,002	49,633	7,993	102,628
Other	1,142,575	545,357	17,748	1,705,680
	\$ 20,186,273	\$ 4,445,518	\$ 1,375,930	\$ 26,007,721

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Notes to Financial Statements

June 30, 2020	Program	General and Administrative	Fundraising	Total Expenses
Salaries and benefits	\$ 5,956,206	\$ 1,700,846	\$ 992,672	\$ 8,649,724
Supplies and materials	2,208,772	125	-	2,208,897
Consultancy and contractors	1,337,243	570,123	18,569	1,925,935
Bad debt expense	1,285,670	-	-	1,285,670
Travel	1,072,895	284,811	45,149	1,402,855
Training	698,811	49,526	902	749,239
Vehicles and equipment	583,200	104,775	548	688,523
Occupancy	393,409	186,197	74,909	654,515
Meetings	553,902	14,479	2,862	571,243
Professional services	202,412	152,587	24,625	379,624
Depreciation	322,618	-	-	322,618
Office	246,855	53,323	1,374	301,552
Professional development	29,742	42,256	3,614	75,612
Other	467,963	278,487	3,290	749,740
	\$ 15,359,698	\$ 3,437,535	\$ 1,168,514	\$ 19,965,747

13. Simple IRA Retirement Plan

The Organization sponsors a Simple IRA retirement plan, as defined under Section 403(b) of the IRC, covering substantially all employees of the United States. Participants may elect to contribute a portion of their eligible compensation, as defined, subject to IRC limitations. The Organization will match up to 3% of the employee's annual contributions to the plan. The Organization made matching contributions of approximately \$143,700 and \$195,700 for the years ended June 30, 2021 and 2020, respectively.

14. Risks and Uncertainties

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude of the effect the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the fiscal year 2022. The nature of the Organization's customers could cancel projects and prospective opportunities if market conditions continue to deteriorate. The Organization has removed all known cancellations in its backlog and jobs in process and will continually monitor the progress of these jobs. To date, the Organization has not experienced any material adverse impact due to the COVID-19 pandemic.

Last Mile Health

Notes to Financial Statements

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property. Management continues to examine the impact that the CARES Act may have on the business. Currently, management has determined that there is no impact related to CARES Act provisions.