

October 13, 2021

Laron Olson  
Interim Executive Director  
Take the Next Step  
202 South Sams Street  
Monroe, WA 98272

Dear Laron:

Enclosed for your review and filing is the following:

1. Accountant's Compilation Report and Financial Statements for the year ended December 31, 2020.

The copy is for your records.

Please be sure to reach out if you have any questions.

Sincerely,



John Huddleston, CPA

Enclosures.

**TAKE THE NEXT STEP**  
**(a Washington nonprofit corporation)**

Financial Statements

with Independent Accountant's Compilation Report  
Year ended December 31, 2020

**Huddleston Tax CPAs**  
Certified Public Accountants  
40 Lake Bellevue Drive, Suite 100  
Bellevue, WA 98005  
(425) 483-6600

# TAKE THE NEXT STEP

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
Take the Next Step  
Monroe, WA 98272

Management is responsible for the accompanying financial statements of Take the Next Step (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, the related statements of activities and changes in net assets, and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

A handwritten signature in blue ink, appearing to read "Huddleston Tax CPAs".

Huddleston Tax CPAs  
October 8, 2021

See accountant's report

**TAKE THE NEXT STEP**  
**STATEMENT OF FINANCIAL POSITION**  
December 31, 2020

**Assets**

**Current Assets:**

Cash and cash equivalents	\$ 269,872
Restricted cash and cash equivalents	3,943
Accounts Receivable	<u>40,172</u>
Total Current Assets	313,987

**Noncurrent Assets:**

Property, equipment & improvements	38,884
Less accumulated depreciation	<u>(18,412)</u>
Property, equipment & improvements, net	20,472

**Total Assets** \$ 334,459

**Liabilities and Net Assets**

**Current Liabilities:**

Accounts payable and accrued expenses	\$ 7,067
Accrued payroll and taxes	<u>1,618</u>
Total Current Liabilities	8,685

**Noncurrent Liabilities:**

PPP Loan	<u>49,300</u>
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**Total Liabilities** 57,985

**Net Assets:**

Without donor restrictions	272,531
With donor restrictions	<u>3,943</u>

**Total Net Assets** 276,474

**Total Liabilities and Net Assets** \$ 334,459

See accountant's report

**TAKE THE NEXT STEP**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
For the Year Ended December 31, 2020

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
<b>Revenues, support and gains:</b>			
Contributions & Donations	\$ 207,347	\$ -	\$ 207,347
Grants	409,982	125,750	535,732
Program fees	4,921	-	4,921
In-kind contributions	<u>276,023</u>	<u>-</u>	<u>276,023</u>
Total revenue	898,273	125,750	1,024,023
Interest income	150	-	150
Net assets released from restrictions	<u>121,807</u>	<u>( 121,807)</u>	<u>-</u>
<b>Total revenues, gains and other support</b>	<u>1,020,230</u>	<u>3,943</u>	<u>1,024,173</u>
<b>Expenses:</b>			
Program, grants and other services			
Community Resource Center	397,529	-	397,529
Community Dinners	30,760	-	30,760
Kidz Club/ Student Leaders	106,869	-	106,869
Grow Together	13,959	-	13,959
Cold Weather Shelter	27,828	-	27,828
COVID-19	223,479	-	223,479
Black Healing Fund	33,000	-	33,000
Support Services			
Management and general	30,583	-	30,583
Fundraising	<u>10,388</u>	<u>-</u>	<u>10,388</u>
<b>Total expenses</b>	<u>874,395</u>	<u>-</u>	<u>874,395</u>
<b>Change in net assets</b>	145,835	3,943	149,778
<b>Net assets, beginning of year</b>	<u>126,696</u>	<u>-</u>	<u>126,696</u>
<b>Net assets, end of year</b>	<u>\$ 272,531</u>	<u>\$ 3,943</u>	<u>\$ 276,474</u>

See accountant's report

**TAKE THE NEXT STEP**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended December 31, 2020

	Program Services						Support Services		Total	
	Community Resource Center	Community Dinners	Kidz Club/ Student Leaders	Grow Together	Cold Weather Shelter	COVID-19	Black Healing Fund	Manage- ment and General		Fund- raising
Program expenses	\$ 30,996	\$ 620	\$ 3,286	\$ 457	\$ 1,450	\$ 222,229	\$ 30,736	\$ -	\$ -	\$ 289,774
Grants	1,225	-	-	-	-	-	-	-	-	1,225
Payroll, taxes and benefits	120,391	15,993	84,729	11,792	8,066	-	-	5,770	7,680	254,421
Professional fees	-	-	-	-	-	-	-	17,313	-	17,313
Office expenses	6,236	445	7,711	375	1,121	-	-	4,285	998	21,171
Facilities & Occupancy	608	18	155	25	26	-	1,741	100	33	2,706
Meetings and Travel	799	-	-	10	-	-	-	-	-	1,154
Fundraising	-	-	-	-	-	-	-	151	1,389	1,540
Other expenses	1,346	405	2,988	545	9	-	523	898	288	7,002
Depreciation	-	-	-	-	-	-	-	2,066	-	2,066
<b>Total expenses before in-kind</b>	<b><u>161,601</u></b>	<b><u>17,481</u></b>	<b><u>99,214</u></b>	<b><u>13,204</u></b>	<b><u>10,672</u></b>	<b><u>222,229</u></b>	<b><u>33,000</u></b>	<b><u>30,583</u></b>	<b><u>10,388</u></b>	<b><u>598,372</u></b>
In-kind contributions										
Program expenses	159,824	3,725	2,895	755	13,700	-	-	-	-	180,899
Professional services	47,600	1,834	-	-	-	1,250	-	-	-	50,684
Materials and supplies	-	-	-	-	1,456	-	-	-	-	1,456
Rent and utilities	28,504	7,720	4,760	-	2,000	-	-	-	-	42,984
<b>Total in-kind</b>	<b><u>235,928</u></b>	<b><u>13,279</u></b>	<b><u>7,655</u></b>	<b><u>755</u></b>	<b><u>17,156</u></b>	<b><u>1,250</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>276,023</u></b>
<b>Total Expenses</b>	<b><u>\$ 397,529</u></b>	<b><u>\$ 30,760</u></b>	<b><u>\$ 106,869</u></b>	<b><u>\$ 13,959</u></b>	<b><u>\$ 27,828</u></b>	<b><u>\$ 223,479</u></b>	<b><u>\$ 33,000</u></b>	<b><u>\$ 30,583</u></b>	<b><u>\$ 10,388</u></b>	<b><u>\$ 874,395</u></b>

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