

SAFE SHELTER OF ST. VRAIN VALLEY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

SAFE SHELTER OF ST. VRAIN VALLEY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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July 29, 2020

Independent Auditors' Report

Board of Directors
Safe Shelter of St. Vrain Valley
Longmont, Colorado

We have audited the accompanying statements of **Safe Shelter of St. Vrain Valley** (a Colorado nonprofit corporation) which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility

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; 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Safe Shelter of St. Vrain Valley as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Safe Shelter of St. Vrain Valley's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 13, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Taylor ROTH and Company PLLC

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

SAFE SHELTER OF ST. VRAIN VALLEY
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	<u>2019</u>	<u>2018</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 189,041	\$ 187,938
Contracts receivable	143,743	115,858
Prepaid expenses	1,961	1,914
Certificates of deposit (Note 3)	201,929	200,231
Beneficial interest in assets held by others (Note 4)	59,610	50,317
Property and equipment (Note 5)	<u>1,079,273</u>	<u>1,122,332</u>
Total assets	<u>\$ 1,675,557</u>	<u>\$ 1,678,590</u>
<u>Liabilities and net assets</u>		
<u>Liabilities</u>		
Accounts payable	\$ 627	\$ 2,486
Payroll liabilities	<u>18,863</u>	<u>20,273</u>
Total liabilities	<u>19,490</u>	<u>22,759</u>
<u>Net assets</u>		
Without donor restrictions		
Undesignated	517,184	475,137
Net investment in fixed assets	1,079,273	1,122,332
With donor restrictions		
Program related	-	8,045
Endowment (Note 4)	<u>59,610</u>	<u>50,317</u>
Total net assets	<u>1,656,067</u>	<u>1,655,831</u>
Total liabilities and net assets	<u>\$ 1,675,557</u>	<u>\$ 1,678,590</u>

The accompanying notes are an integral part of these financial statements

SAFE SHELTER OF ST. VRAIN VALLEY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019			2018	
	Without Donor Restictions	<u>With Donor Restrictions</u> Program		Total	Total
		Related	Endowment		
<u>Revenue and other support</u>					
Government grants	\$ 677,915	\$ -	\$ -	\$ 677,915	\$ 606,246
Foundations	136,368	4,200	-	140,568	115,783
Individuals and groups	89,345	-	-	89,345	88,987
Special event income	58,290	-	-	58,290	56,210
less direct expenses	(8,933)	-	-	(8,933)	(8,474)
Symposium	24,316	-	-	24,316	6,637
Corporations	19,000	-	-	19,000	9,500
Investment income, net of fees	1,892	-	9,293	11,185	(3,227)
Other income	47	-	-	47	662
In-kind contributions (Note 6)	3,922	-	-	3,922	10,638
Net assets released	-	-	-	-	-
from restrictions (Note 7)	12,245	(12,245)	-	-	-
	<u>1,014,407</u>	<u>(8,045)</u>	<u>9,293</u>	<u>1,015,655</u>	<u>882,962</u>
<u>Total revenue and other support</u>					
<u>Expense</u>					
Program services	818,279	-	-	818,279	725,518
Supporting services					
Administration	78,947	-	-	78,947	75,941
Fundraising	58,535	-	-	58,535	58,586
	<u>955,761</u>	<u>-</u>	<u>-</u>	<u>955,761</u>	<u>860,045</u>
Total expense - before depreciation					
Change in net assets - before depreciation	58,646	(8,045)	9,293	59,894	22,917
Depreciation expense	59,658	-	-	59,658	56,355
Change in net assets	(1,012)	(8,045)	9,293	236	(33,438)
Net assets, beginning of year	<u>1,597,469</u>	<u>8,045</u>	<u>50,317</u>	<u>1,655,831</u>	<u>1,689,269</u>
Net assets, end of year	<u>\$ 1,596,457</u>	<u>\$ -</u>	<u>\$ 59,610</u>	<u>\$ 1,656,067</u>	<u>\$ 1,655,831</u>

The accompanying notes are an integral part of these financial statements

SAFE SHELTER OF ST. VRAIN VALLEY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019			2018	
	<u>Supporting Services</u>			Total	Total
	Program Services	Management and General	Fund- raising		
Salaries	\$ 529,537	\$ 51,074	\$ 41,082	\$ 621,693	\$ 586,771
Payroll taxes and benefits	103,587	9,991	8,036	121,614	114,194
Direct assistance	71,594	-	-	71,594	54,586
Symposium	30,913	-	-	30,913	9,894
Insurance	22,058	2,128	1,711	25,897	23,708
Repair and maintenance	15,473	-	-	15,473	4,421
Utilities	12,983	1,253	1,007	15,243	14,604
Contract services	3,630	350	5,515	9,495	11,416
Telephone	7,043	680	546	8,269	7,400
Food	8,026	-	-	8,026	8,265
Professional services	-	5,675	-	5,675	5,000
Supplies	4,371	422	339	5,132	2,277
Technology	4,279	745	-	5,024	5,667
Dues and subscriptions	-	2,872	-	2,872	3,217
Advertising	2,353	227	183	2,763	1,460
Equipment	-	2,183	-	2,183	2,136
Printing	1,494	144	116	1,754	1,555
Travel	938	-	-	938	1,905
Postage	-	562	-	562	871
Interest	-	99	-	99	172
All other	-	542	-	542	526
	<u>818,279</u>	<u>78,947</u>	<u>58,535</u>	<u>955,761</u>	<u>860,045</u>
Depreciation	50,815	4,901	3,942	59,658	56,355
Total expenses	<u>\$ 869,094</u>	<u>\$ 83,848</u>	<u>\$ 62,477</u>	<u>\$ 1,015,419</u>	<u>\$ 916,400</u>

The accompanying notes are an integral part of these financial statements

SAFE SHELTER OF ST. VRAIN VALLEY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	<u>2019</u>	<u>2018</u>
<u>Cash flows from operating activities</u>		
Change in net assets	\$ 236	\$ (33,438)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Donated assets	-	(5,000)
Depreciation	59,658	56,355
<u>Changes in operating assets and liabilities</u>		
Decrease(increase) in contracts receivable	(27,885)	(14,615)
Decrease(increase) in prepaid expenses	(47)	(120)
Increase(decrease) in accounts payable	(1,859)	948
Increase(decrease) in payroll accruals	(1,410)	1,513
Net cash provided(used) by operating activities	<u>28,693</u>	<u>5,643</u>
<u>Cash flows from investing activities</u>		
(Reinvesting) of earnings	(1,698)	(908)
(Purchases) of fixed assets	(16,599)	(11,996)
Net cash provided(used) by investing activities	<u>(18,297)</u>	<u>(12,904)</u>
<u>Cash flows from financing activities</u>		
(Additions) to assets held by others	-	-
(Gains) loss in assets held by others	(9,293)	4,326
Net cash provided by financing activities	<u>(9,293)</u>	<u>4,326</u>
Net increase(decrease) in cash and cash equivalents	1,103	(2,935)
Cash and cash equivalents, beginning of year	<u>187,938</u>	<u>190,873</u>
Cash and cash equivalents, end of year	<u><u>\$ 189,041</u></u>	<u><u>\$ 187,938</u></u>

The accompanying notes are an integral part of these financial statements

SAFE SHELTER OF ST. VRAIN VALLEY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

NOTE 1 - NATURE OF ACTIVITIES

Safe Shelter of St. Vrain Valley (Organization) was incorporated in 1981 as a non-profit corporation in the state of Colorado. Their mission is to promote and provide emergency and on-going, shelter lodging and other assistance as needed for all victims of domestic abuse in northeastern Boulder County. The Organization provides protection, intervention, and support to individuals whose lives have been affected by domestic abuse. Through community education, on-going counseling, emergency lodging, 24-hour crisis line, in person post-arrest advocacy, and other direct services, the Organization connects access to victim compensation and information referral to other agencies. The Organization is primarily funded by government and foundation grants.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

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

2. Basis of Presentation

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

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization. or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

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

3. Cash and Cash Equivalents

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

4. Capitalization and Depreciation

The Organization follows a practice of capitalizing all expenditures for furniture and equipment in excess of \$500. 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.

5. Estimates

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

6. Income Taxes

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

7. Fair Value Measurements

The Organization is subject to the provisions of the *Fair Value Measurements and Disclosures* accounting standard. This standard requires use of a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels: quoted market prices in active markets for identical assets and liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs for the asset or liability (Level 3).

8. Functional Reporting of Expenses

For the year ended December 31, 2019, the costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The expenses that are allocated include the following:

Salaries, Payroll taxes & benefits, Insurance, Utilities, Telephone, Technology, Supplies, Printing, and Advertising are allocated by Time and effort.

9. Summarized Prior-Year Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

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

10. Reclassifications

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

11. Subsequent Events

Management has evaluated subsequent events through July 29, 2020, the date the financial statements were available to be issued.

NOTE 3 - CERTIFICATES OF DEPOSIT

At year-end, certificates of deposit are stated at their fair value (level 1 input). Interest earned on certificates of deposits and cash balances was \$1,892 for the year.

NOTE 4 - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

An endowment fund is held by the Longmont Community Foundation (Foundation) for operational purposes (Level 3 input). Under the terms of the endowment, the contributions are held in perpetuity, but the organization may take an annual distribution of up to 5% of the fund. Also, in the event of an emergency, and with a vote of $\frac{3}{4}$ of all directors (Foundation and Organization), the Organization can take a distribution to meet the emergency. The Organization can terminate the fund, with a vote of $\frac{3}{4}$ vote of the board of directors of both the Foundation and Organization.

<u>Description</u>	<u>Amount</u>
Contributions at December 31, 2019	\$ 50,100
Accumulated interest and gains on endowment	<u>9,510</u>
Total	<u>\$ 59,610</u>

<u>Description</u>	<u>Amount</u>
Balance, beginning of year	\$ 50,317
Interest	742
(Loss) on endowment	9,622
Less: fees	<u>(1,071)</u>
Balance, at year-end	<u>\$ 59,610</u>

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

<u>Description</u>	<u>Amount</u>
Land	\$ 23,272
Buildings and improvements	1,680,046
Furniture and equipment	<u>94,898</u>
Total	1,798,216
Less: accumulated depreciation	<u>(718,943)</u>
Net property and equipment	<u>\$ 1,079,273</u>

Depreciation expense for the year was \$59,658.

BOULDER WORTHY CAUSE

The Organization received a \$50,000 award in 2012 from the County of Boulder, Colorado to renovate their shelter property. The agreement is structured like a formal loan but would be repaid only if any of the following conditions are met.

1. The Organization failed to operate the building as a non-profit community facility.
2. The shelter or any interest in the property is sold.
3. Filing of bankruptcy or assignment to creditor of the property.
4. The Organization dissolves.
5. Failure to use property as integral part of program.

The funds are secured by the deed of trust to the property. Failure to comply with the agreement will result in the entire balance of \$50,000 becoming due and payable immediately.

NOTE 6 - IN-KIND CONTRIBUTIONS

During the year, in-kind contributions were received as follows:

<u>Description</u>	<u>Amount</u>
Food and supplies	<u>\$ 3,922</u>

No amounts have been reflected in the financial statements for donated services not requiring specific expertise. The Organization pays for most of these services requiring specific expertise. However, volunteers donated 1,587 hours of service with a value of \$39,180 in 2019, which were not included in the financial statements. The Organization also received approximately \$8,000 of toys, clothing, and household items that were passed through to their clients.

NOTE 7 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, expenditures were made satisfying donor restrictions as follows:

<u>Description</u>	<u>Amount</u>
Family cultural enrichment program	\$ 8,045
Client assistance	<u>4,200</u>
Total	<u>\$ 12,245</u>

NOTE 8 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2019:

<u>Financial assets at year-end:</u>	<u>Amount</u>
Cash and cash equivalents	\$ 189,041
Accounts and pledges receivable	<u>143,743</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 332,784</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses, which would approximate \$215,000.

NOTE 9 - SUBSEQUENT EVENT

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