

**SAFE SHELTER OF ST. VRAIN VALLEY**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

**SAFE SHELTER OF ST. VRAIN VALLEY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

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June 13, 2019

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, 2018, 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, 2018, 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 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 8, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, 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

**SAFE SHELTER OF ST. VRAIN VALLEY**  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2018  
(WITH COMPARATIVE TOTALS FOR 2017)

	2018	2017
<u>Assets</u>		
Cash and cash equivalents	\$ 187,938	\$ 190,873
Contracts receivable	115,858	101,243
Prepaid expenses	1,914	1,794
Investments (Note 3)	200,231	199,323
Beneficial interest in assets held by others (Note 4)	50,317	54,643
Property and equipment (Note 5)	1,122,332	1,161,691
Total assets	\$ 1,678,590	\$ 1,709,567
<u>Liabilities and net assets</u>		
<u>Liabilities</u>		
Accounts payable	\$ 2,486	\$ 1,538
Payroll liabilities	20,273	18,760
Total liabilities	22,759	20,298
<u>Net assets</u>		
Without donor restrictions		
Undesignated	475,137	463,186
Net investment in fixed assets	1,122,332	1,161,691
With donor restrictions		
Program related (Note 6)	8,045	9,749
Endowment (Note 4)	50,317	54,643
Total net assets	1,655,831	1,689,269
Total liabilities and net assets	\$ 1,678,590	\$ 1,709,567

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, 2018**  
**(WITH COMPARATIVE TOTALS FOR 2017)**

	2018			2017	
	Without Donor Restictions	With Donor Restrictions Program		Total	Total
		Related	Endowment		
<u>Revenue and other support</u>					
Government grants	\$ 606,246	\$ -	\$ -	\$ 606,246	\$ 604,424
Foundations	111,583	4,200	-	115,783	126,849
Individuals and groups	89,987	-	-	89,987	89,297
Special event income	56,210	-	-	56,210	43,629
less direct expenses	(8,474)	-	-	(8,474)	(8,523)
Corporations	8,500	-	-	8,500	7,000
Symposium	6,637	-	-	6,637	4,115
Investment income, net of fees	1,099	-	(4,326)	(3,227)	5,386
Other income	662	-	-	662	22
In-kind contributions (Note 7)	10,638	-	-	10,638	5,895
Net assets released	-	-	-	-	-
from restrictions (Note 8)	5,904	(5,904)	-	-	-
<u>Total revenue and other support</u>	<u>888,992</u>	<u>(1,704)</u>	<u>(4,326)</u>	<u>882,962</u>	<u>878,094</u>
<u>Expense</u>					
Program services	725,518	-	-	725,518	721,156
Supporting services					
Administration	75,941	-	-	75,941	74,325
Fundraising	58,586	-	-	58,586	51,270
<u>Total expense - before depreciation</u>	<u>860,045</u>	<u>-</u>	<u>-</u>	<u>860,045</u>	<u>846,751</u>
Change in net assets - before depreciation	28,947	(1,704)	(4,326)	22,917	31,343
Depreciation expense	56,355	-	-	56,355	59,126
Change in net assets	(27,408)	(1,704)	(4,326)	(33,438)	(27,783)
Net assets, beginning of year	1,624,877	9,749	54,643	1,689,269	1,717,052
Net assets, end 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>

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, 2018**  
**(WITH COMPARATIVE TOTALS FOR 2017)**

	2018			2017	
	<u>Supporting Services</u>				
	Program Services	Management and General	Fund- raising	Total	Total
Salaries	\$ 497,595	\$ 48,979	\$ 40,197	\$ 586,771	\$ 569,372
Payroll taxes and benefits	96,839	9,532	7,823	114,194	109,535
Direct assistance	54,586	-	-	54,586	75,751
Insurance	20,105	1,979	1,624	23,708	15,320
Utilities	12,385	1,219	1,000	14,604	12,919
Contract services	3,954	390	7,072	11,416	5,937
Symposium	9,894	-	-	9,894	9,996
Food	8,265	-	-	8,265	8,749
Telephone	6,275	618	507	7,400	7,215
Technology	4,806	861	-	5,667	4,033
Professional services	-	5,000	-	5,000	4,500
Repair and maintenance	4,421	-	-	4,421	7,601
Dues and subscriptions	-	3,217	-	3,217	2,948
Supplies	1,931	190	156	2,277	3,210
Equipment	-	2,136	-	2,136	2,458
Travel	1,905	-	-	1,905	1,915
Printing	1,319	129	107	1,555	1,872
Advertising	1,238	122	100	1,460	1,666
Postage	-	871	-	871	1,025
Interest	-	172	-	172	103
All other	-	526	-	526	626
	<u>725,518</u>	<u>75,941</u>	<u>58,586</u>	<u>860,045</u>	<u>846,751</u>
Depreciation	47,790	4,704	3,861	56,355	59,126
Total expenses	<u>\$ 773,308</u>	<u>\$ 80,645</u>	<u>\$ 62,447</u>	<u>\$ 916,400</u>	<u>\$ 905,877</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, 2018**  
**(WITH COMPARATIVE TOTALS FOR 2017)**

	2018	2017
<u>Cash flows from operating activities</u>		
Change in net assets	\$ (33,438)	\$ (27,783)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Donated assets	(5,000)	-
Depreciation	56,355	59,126
<u>Changes in operating assets and liabilities</u>		
Decrease(increase) in contracts receivable	(14,615)	(183)
Decrease(increase) in prepaid expenses	(120)	(99)
Increase(decrease) in accounts payable	948	154
Increase(decrease) in payroll accruals	1,513	(808)
Net cash provided(used) by operating activities	5,643	30,407
<u>Cash flows from investing activities</u>		
(Reinvesting) of earnings	(908)	(573)
(Purchases) of fixed assets	(11,996)	(3,401)
Net cash provided(used) by investing activities	(12,904)	(3,974)
<u>Cash flows from financing activities</u>		
(Additions) to assets held by others	-	(50,100)
(Reinvesting) of earnings in assets held by others	4,326	(4,543)
Net cash provided by financing activities	4,326	(54,643)
Net increase(decrease) in cash and cash equivalents	(2,935)	(28,210)
Cash and cash equivalents, beginning of year	190,873	219,083
Cash and cash equivalents, end of year	\$ 187,938	\$ 190,873

The accompanying notes are an integral part of these financial statements



**SAFE SHELTER OF ST. VRAIN VALLEY**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

**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, 2018, 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, 2017, 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. New Accounting Pronouncements

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses net asset classification, information about liquidity, information provided about expenses and consistency in reporting investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

12. Subsequent Events

Management has evaluated subsequent events through June 13, 2019, the date the financial statements were available to be issued.

NOTE 3 - INVESTMENTS

At year-end, investments consisted of certificates of deposits. Investments are stated at their fair value. Interest earned on certificates of deposits and cash balances was \$1,099 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, 2018	\$ 50,100
Accumulated interest and gains on endowment	<u>217</u>
Total	<u>\$ 50,317</u>

<u>Description</u>	<u>Amount</u>
Balance, beginning of year	\$ 54,643
Interest	1,170
(Loss) on endowment	(4,432)
Less: fees	<u>(1,064)</u>
Balance, at year-end	<u>\$ 50,317</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	1,669,446
Furniture and equipment	<u>88,900</u>
Total	1,781,618
Less: accumulated depreciation	<u>(659,286)</u>
Net property and equipment	<u>\$ 1,122,332</u>

Depreciation expense for the year was \$56,355.

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 - DONOR RESTRICTED NET ASSETS

Donor restricted net assets are to be used for the following purposes:

<u>Description</u>	<u>Amount</u>
Family cultural enrichment program	<u>\$ 8,045</u>

NOTE 7 - IN-KIND CONTRIBUTIONS

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

<u>Description</u>	<u>Amount</u>
Food and supplies	\$ 5,638
Mattresses	<u>5,000</u>
Total	<u>\$ 10,638</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 1,904 hours of service with a value of \$47,010 in 2018, which were not included in the financial statements. The Organization also received approximately \$5,700 of toys, clothing, and household items that were passed through to their clients.

NOTE 8 - NET ASSETS RELEASED FROM RESTRICTIONS

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

<u>Description</u>	<u>Amount</u>
Client assistance	\$ 4,200
Family cultural enrichment program	<u>1,704</u>
Total	<u>\$ 5,904</u>

NOTE 9 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2018:

<u>Financial assets at year-end:</u>	<u>Amount</u>
Cash and cash equivalents	\$ 187,938
Accounts and pledges receivable	<u>115,858</u>
Total financial assets	<u>303,796</u>
Less amounts not available for general expenditures within one year due to:	
Donor restricted for family cultural enrichment program	<u>(8,045)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 295,751</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses, which would approximate \$215,000. Management believes the donor restricted net assets are not for general expenditures.