

**WOMEN'S CRISIS AND FAMILY**  
**OUTREACH CENTER**

Financial Statements As Of December 31, 2013

Together With Independent Auditors' Report

**JDS** professional  
group  
certified public accountants, consultants and advisors

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of the  
Women's Crisis and Family Outreach Center:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Women's Crisis and Family Outreach Center (the "Organization"), a not-for-profit organization, which comprise the statement of financial position as of December 31, 2013, 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 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.

### **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 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 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 the reasonableness of

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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 Women's Crisis and Family Outreach Center as of December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*JDS Professional Group*

April 14, 2014

# WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Statement Of Financial Position  
As Of December 31, 2013

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## ASSETS

### Current Assets:

Cash and cash equivalents	\$ 292,014
Restricted cash	553
Accounts receivable	95,429
Promise to give - Mile High United Way	25,000
Inventory	<u>5,902</u>
Total Current Assets	<u>418,898</u>

### Property And Equipment:

Land	194,970
Building and improvements	2,159,833
Furniture and equipment	<u>74,972</u>
	2,429,775
Less: accumulated depreciation and amortization	<u>307,663</u>
Net Property and Equipment	<u>2,122,112</u>

## TOTAL ASSETS

\$ 2,541,010

## LIABILITIES AND NET ASSETS

### Current Liabilities:

Accounts payable and accrued liabilities	\$ 66,276
Current portion of mortgage payable	<u>4,695</u>
Total Current Liabilities	70,971

Mortgage payable	<u>68,890</u>
Total Liabilities	<u>139,861</u>

### Net Assets:

Unrestricted	2,376,149
Temporarily restricted	<u>25,000</u>
Total Net Assets	<u>2,401,149</u>

## TOTAL LIABILITIES AND NET ASSETS

\$ 2,541,010

The accompanying notes are an integral part of the financial statements.

# WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Statement Of Activities  
For The Year Ended December 31, 2013

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	Unrestricted	Temporarily Restricted	Total
<b>Support And Revenue:</b>			
Support -			
Contributions and grants	\$ 1,114,197	\$ 50,000	\$ 1,164,197
Special events	\$220,923		
Less: Direct benefit to donors	(37,935)		182,988
Total Support	1,297,185	50,000	1,347,185
Revenue -			
Service fees	4,010		4,010
Sales revenue	3,158		3,158
Interest income	388		388
Miscellaneous	3,390		3,390
Total Revenue	10,946		10,946
Net assets released from restrictions -			
Satisfaction of time and purpose restrictions	98,859	(98,859)	
Total Support And Revenue	1,406,990	(48,859)	1,358,131
<b>Expenses:</b>			
Program Services -			
Shelter	548,804		548,804
Therapy	454,729		454,729
Legal	161,606		161,606
Outreach/community education	63,306		63,306
Total Program Services	1,228,445		1,228,445
Supporting Services -			
General administrative	140,242		140,242
Fundraising	79,671		79,671
Total Supporting Services	219,913		219,913
Total Expenses	1,448,358		1,448,358
<b>CHANGES IN NET ASSETS</b>	(41,368)	(48,859)	(90,227)
Net Assets, Beginning Of Year	2,417,517	73,859	2,491,376
<b>NET ASSETS, END OF YEAR</b>	\$ 2,376,149	\$ 25,000	\$ 2,401,149

The accompanying notes are an integral part of the financial statements.

**WOMEN'S CRISIS AND FAMILY OUTREACH CENTER**

Statement Of Functional Expenses

For The Year Ended December 31, 2013

	Program Services					Supporting Services			2013 Total
	Shelter	Therapy	Legal	Outreach/		General		Total	
				Comm. Education	Total	Admin.	Fundraising		
Salaries	\$ 391,338	\$ 333,703	\$ 124,790	\$ 49,667	\$ 899,498	\$ 85,573	\$ 49,667	\$ 135,240	\$ 1,034,738
Payroll taxes and employee benefits	42,608	36,333	13,587	5,408	97,936	9,317	5,408	14,725	112,661
Total employee related expenses	433,946	370,036	138,377	55,075	997,434	94,890	55,075	149,965	1,147,399
Professional services	4,199	3,580	1,339	533	9,651	8,418	533	8,951	18,602
Food and office supplies	7,519	6,411	2,398	954	17,282	1,644	954	2,598	19,880
Dues and publications	1,525	1,301	486	194	3,506	334	194	528	4,034
Utilities	6,885	6,885			13,770	6,885		6,885	20,655
Telephone	6,093	4,031	369	147	10,640	1,012	147	1,159	11,799
Maintenance and repair	23,990	22,116	4,056	1,615	51,777	14,050	1,615	15,665	67,442
Occupancy	9,568	5,701	2,550		17,819	3,151		3,151	20,970
Postage and printing	1,230	1,049	392	156	2,827	269	156	425	3,252
Travel and staff expense	9,253	7,890	2,950	1,174	21,267	2,023	1,174	3,197	24,464
Program and other expense	17,352	1,550			18,902	629		629	19,531
Special events							16,365	16,365	16,365
Insurance and taxes	5,437	5,582	1,734	690	13,443	1,189	690	1,879	15,322
Miscellaneous	889	760	285	113	2,047	1,174	113	1,287	3,334
Depreciation and amortization	20,918	17,837	6,670	2,655	48,080	4,574	2,655	7,229	55,309
<b>Total</b>	<b>\$ 548,804</b>	<b>\$ 454,729</b>	<b>\$ 161,606</b>	<b>\$ 63,306</b>	<b>\$ 1,228,445</b>	<b>\$ 140,242</b>	<b>\$ 79,671</b>	<b>\$ 219,913</b>	<b>\$ 1,448,358</b>

The accompanying notes are an integral part of the financial statements.

# WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

## Statement Of Cash Flows

For The Year Ended December 31, 2013

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Cash flows from operating activities:	
Changes in net assets	\$ (90,227)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation and amortization expense	55,309
Changes in operating assets and liabilities -	
Decrease in accounts receivable	164,061
Decrease in promises to give	21,000
Decrease in inventory	365
(Decrease) in accounts payable and accrued liabilities	<u>(17,520)</u>
Net cash provided by operating activities	<u>132,988</u>
Cash flow from investing activities	
Payments on mortgage payable	(4,459)
Purchase of property and equipment	<u>(38,351)</u>
Net cash (used in) investing activities	<u>(42,810)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>90,178</b>
Cash And Cash Equivalents, Beginning Of Year	<u>202,389</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 292,567</u></b>
Supplemental Disclosure:	
Cash paid for interest	<u>\$ 4,062</u>

The accompanying notes are an integral part of the financial statements.

# WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Notes To Financial Statements  
For The Year Ended December 31, 2013

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(1) **Nature Of The Organization**

The purpose of the Women's Crisis and Family Outreach Center (the "Organization") is to provide a wide range of services to battered women and children residing primarily in Douglas County, Colorado. The majority of the Organization's support and revenue is derived from contributions and grants.

(2) **Summary Of Significant Accounting Policies**

**Method Of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America.

**Basis Of Presentation**

Financial statement presentation follows the recommendations of *Financial Statements for Not-for-Profit Organizations*. Under this standard, the Organization is required to report information regarding financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of December 31, 2013, the Organization had only unrestricted and temporarily restricted net assets.

**Use Of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

**Cash And Cash Equivalents**

For purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and money market accounts. The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalent.

**Restricted Cash**

The Organization is required to hold raffle funds in a separate account due to State of Colorado regulations.



# WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Notes To Financial Statements (Continued)  
For The Year Ended December 31, 2013

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## Accounts Receivable

Accounts receivable consists primarily of amounts due from government agencies for grants awarded to the Organization. As of December 31, 2013, management believes all grants receivable are fully collectible and thus there is no allowance for doubtful accounts. Accounts receivable are written off when collection appears doubtful.

## Promises To Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. As of December 31, 2013, the promises to give are expected to be collected within one year of the financial statement date.

## Inventory

Inventory is stated at lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

## Property And Equipment

Property and equipment is stated at acquisition cost or fair market value at the contribution date. Depreciation and amortization are computed using the straight-line method over the following estimated useful lives of the assets:

Building and improvements	20-40 years
Furniture and equipment	5-7 years

Maintenance, repairs and renewals which neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included or netted with expenses.

The Organization's capitalization policy is to capitalize purchases of \$500 and greater with a useful life in excess of one year, and to expense purchases under \$500.

## Fair Value Measurements

The carrying amount reported in the statement of financial position for cash and cash equivalents, grants receivable, promises to give, and accounts payable and accrued liabilities, approximate fair value because of the immediate or short-term maturities of these financial instruments.

## WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Notes To Financial Statements (Continued)  
For The Year Ended December 31, 2013

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Management evaluates the fair value of the mortgage payable based on the current interest rate environment and current pricing of debt instruments with comparable terms. The carrying value of such financial instruments are considered to approximate fair value.

### Contributions and Grants

Contributions and grants received are recorded as unrestricted or temporarily restricted support, depending on the existence or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily restricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

### Donated Assets

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair value at the date of donation.

### Functional Allocation Of Expenses

The costs of providing the programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the programs and supporting services benefitted.

### Subsequent Events

The Organization has performed an evaluation of subsequent events through April 14, 2014, which is the date the financial statements were available to be issued, and has considered any relevant matters in the preparation of the financial statements and footnotes.

## WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Notes To Financial Statements (Continued)  
For The Year Ended December 31, 2013

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### (3) Contingencies And Concentration Of Credit Risk

Financial instruments that potentially subject the Organization to credit risk include cash deposits in excess of federally insured limits of \$250,000. As of December 31, 2013, no deposits exceeded such limit.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. In that event, the Organization may be required to refund amounts to the federal government.

### (4) Tax Exempt Status

The Organization has previously received notice from the Internal Revenue Service of exemption from income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A). Accordingly, the accompanying financial statements contain no provision for income taxes.

The Organization follows *Accounting for Uncertainty in Income Taxes* which requires them to determine whether a tax position (and the related tax benefit) is more likely than not to be sustained upon examination by the applicable taxing authority, based solely on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement, presuming that the tax position is examined by the appropriate taxing authority that has full knowledge of all relevant information. During the year ended December 31, 2013, the Organization's management evaluated its tax positions to determine the existence of uncertainties, and did not note any matters that would require recognition or which may have an affect on its tax-exempt status.

The Organization is no longer subject to U.S. federal tax audits on its Form 990 by taxing authorities for fiscal years ending prior to December 31, 2010. The years subsequent to this year contain matters that could be subject to differing interpretations of applicable tax laws and regulations. Although the outcome of tax audits is uncertain, the Organization believes no issues would arise.

## WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Notes To Financial Statements (Continued)  
For The Year Ended December 31, 2013

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### (5) Mortgage Payable

Mortgage payable to a financial institution at 5.35% until January 1, 2017, then subject to change every five years at the 5 Year Treasury Index plus 3%; original value of \$93,822; principal and interest of \$714.15 due monthly and subject to change to reflect changes in the interest rate; maturing and due in full on July 1, 2025; secured by the deed of trust on current office building located on Gilbert Street.

\$ 73,585

Future annual maturities as of December 31, 2013, are as follows:

2014	\$ 4,695
2015	5,016
2016	5,291
2017	5,581
2018	5,887
Thereafter	47,115
	\$ <u>73,585</u>

### (6) Line Of Credit

The Organization has a line of credit in the amount of \$50,000 with a financial institution at 6% which expires on June 6, 2014. As of December 31, 2013, no amounts were due on the line of credit.

### (7) Restrictions On Net Assets

Temporarily restricted net assets consist of time restrictions relating to promises to give.

## WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Notes To Financial Statements (Continued)  
For The Year Ended December 31, 2013

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### (8) Grants

Grants received from government agencies consisted of the following for the year ended December 31, 2013:

ACT	\$ 57,990
Victims of Crimes Act (VOCA)	184,596
Douglas County	150,250
City of Lone Tree	8,000
Town of Parker	15,000
Victim Assistance and Law Enforcement Board (VALE)	112,500
Emergency Shelter Grant	9,500
CACFP	16,414
CDBG	9,225
	<u>\$ 563,475</u>

### (9) Expenses

Total expenses incurred are as follows:

Total expenses reported by function	\$ 1,448,358
Cost of direct benefit to donors	<u>37,935</u>
Total expenses	<u>\$ 1,486,293</u>

### (11) Commitments

The Organization leases certain space and equipment under operating leases. Annual future minimum rental payments under operating leases are as follows:

Year Ended December 31,	
2014	\$ 12,036
2015	12,036
2016	1,982
	<u>\$ 26,054</u>

Rent and lease expenses amounted to \$12,440 for the year ended December 31, 2013.

## WOMEN'S CRISIS AND FAMILY OUTREACH CENTER

Notes To Financial Statements (Continued)  
For The Year Ended December 31, 2013

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(12) **Subsequent Event**

Effective January 1, 2014, the Organization changed its name to Crisis Center.