CRISIS CENTER

Financial Statements As Of December 31, 2014

Together With Independent Auditors' Report

JDS professional group

certified public accountants, consultants and advisors

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Crisis Center:

Report on the Financial Statements

We have audited the accompanying financial statements of Crisis Center (the "Organization"), a not-for-profit organization, which comprise the statement of financial position as of December 31, 2014, 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.

Auditors' 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 auditors' 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 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 Crisis Center as of December 31, 2014, 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, 2015

CRISIS CENTER

Statement Of Financial Position
As Of December 31, 2014

ASSETS	
Current Assets:	
Cash and cash equivalents	$ 160,677
Restricted cash	553
Accounts receivable	94,155
Promise to give	30,000
Inventory	5,417
Total Current Assets	290,802
Property And Equipment:	
Land	194,970
Building and improvements	2,159,833
Furniture and equipment	81,725
	2,436,528
Less: accumulated depreciation and amortization	369,067
Net Property and Equipment	2,067,461
TOTAL ASSETS	$ 2,358,263
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable and accrued liabilities	$ 43,113
Current portion of mortgage payable	5,016
Total Current Liabilities	48,129
Line of credit	7,000
Mortgage payable	64,003
Total Liabilities	119,132
Net Assets:	
Unrestricted	2,209,131
Temporarily restricted	30,000
Total Net Assets	2,239,131
TOTAL LIABILITIES AND NET ASSETS	$ 2,358,263

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

CRISIS CENTER

		Unrestricted	Temporarily Restricted	Total
Support And Revenue:				
Support -				
Contributions and grants		$ 992,265	$ 67,500	$ 1,059,765
Special events	$276,818			
Less: Direct benefit to donors	(62,189)	214,629		214,629
Total Support		1,206,894	67,500	1,274,394
Revenue -				
Service fees		7,740		7,740
Sales revenue		2,091		2,091
Interest income		195		195
Miscellaneous		2,857		2,857
Total Revenue		12,883		12,883
Net assets released from restrictions -				
Satisfaction of time and purpose restrictions		62,500	(62,500)	
Total Support And Revenue		1,282,277	5,000	1,287,277
Expenses:				
Program Services -				
Shelter		629,546		629,546
Therapy		395,418		395,418
Legal		152,979		152,979
Outreach/community education		57,502		57,502
Total Program Services		1,235,445		1,235,445
Supporting Services -				
General administrative		132,582		132,582
Fundraising		81,268		81,268
Total Supporting Services		213,850		213,850
Total Expenses		1,449,295		1,449,295
CHANGES IN NET ASSETS		(167,018)	5,000	(162,018)
Net Assets, Beginning Of Year		2,376,149	25,000	2,401,149
NET ASSETS, END OF YEAR		$ 2,209,131	$ 30,000	$ 2,239,131

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

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Statement Of Functional Expenses
For The Year Ended December 31, 2014

	Program Services					Supporting Services			
	Shelter	Therapy	Legal	Outreach/ Community Education	Total	General Admin.	Fundraising	Total	2014 Total
Salaries	$ 437,939	$ 284,877	$ 118,019	$ 45,113	$ 885,948	$ 73,611	$ 47,429	$ 121,040	$ 1,006,988
Payroll taxes and employee benefits	45,671	29,709	12,308	4,705	92,393	7,676	4,946	12,622	105,015
Total employee related expenses	483,610	314,586	130,327	49,818	978,341	81,287	52,375	133,662	1,112,003
Professional services	3,406	2,215	918	351	6,890	9,863	369	10,232	17,122
Food and office supplies	11,000	7,156	2,965	1,133	22,254	1,849	1,191	3,040	25,294
Dues and publications	1,546	1,006	417	159	3,128	260	167	427	3,555
Utilities	7,753	7,753			15,506	7,753		7,753	23,259
Telephone	6,401	4,196	439	168	11,204	1,072	176	1,248	12,452
Maintenance and repair	29,373	23,711	4,365	1,669	59,118	15,897	1,754	17,651	76,769
Occupancy	9,418	6,044	2,550		18,012	3,494		3,494	21,506
Postage and printing	669	435	180	69	1,353	112	73	185	1,538
Travel and staff expense	7,560	4,917	2,037	779	15,293	1,271	819	2,090	17,383
Program and other expense	36,358	1,335	35	13	37,741	690	14	704	38,445
Special events							20,815	20,815	20,815
Insurance and taxes	6,612	5,255	1,782	681	14,330	1,112	716	1,828	16,158
Miscellaneous	374	243	101	39	757	3,641	41	3,682	4,439
Depreciation and amortization	25,466	16,566	6,863	2,623	51,518	4,281	2,758	7,039	58,557
Total	$ 629,546	$ 395,418	$ 152,979	$ 57,502	$ 1,235,445	$ 132,582	$ 81,268	$ 213,850	$ 1,449,295

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

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Statement Of Cash Flows
For The Year Ended December 31, 2014

Cash flows from operating activities:	
Changes in net assets	$ (162,018)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation and amortization expense	58,557
Changes in operating assets and liabilities -	
Decrease in accounts receivable	1,274
(Increase) in promises to give	(5,000)
Decrease in inventory	485
(Decrease) in accounts payable and accrued liabilities	(23,163)
Net cash (used in) operating activities	(129,865)
Cash flow from investing activities	
Payments on mortgage payable	(4,567)
Proceeds from line of credit	7,000
Purchase of property and equipment	(3,905)
Net cash (used in) investing activities	(1,472)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(131,337)
Cash And Cash Equivalents, Beginning Of Year	292,567
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 161,230
Supplemental Disclosure:	
Cash paid for interest	$ 3,815

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

(1) Nature Of The Organization

The purpose of the Crisis 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.

The Organization changed its name from Women's Crisis and Family Outreach Center to Crisis Center during 2014.

(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, 2014, 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.

Accounts Receivable

Accounts receivable consists primarily of amounts due from government agencies for grants awarded to the Organization. As of December 31, 2014, 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, 2014, 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.

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, 2015, 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.

(3) 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, 2014, 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, 2011. 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.

(4) 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, 2014, 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.

As of December 31, 2014, the entire promises to give balance is due from two grantors.

(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.	$ 69,019

Future annual maturities as of December 31, 2014, are as follows:

2015	$ 5,016
2016	5,291
2017	5,581
2018	5,887
2019	6,210
Thereafter	41,034
	$ 69,019

(6) Line Of Credit

The Organization has a line of credit in the amount of $150,000 with a financial institution at 5.25% which matures on August 21, 2017. A minimum payment of interest only is due each month. As of December 31, 2014, there was a balance of $7,000 owed on the line of credit.

(7) Restrictions On Net Assets

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

(8) **Grants**

Grants received from government agencies consisted of the following for the year ended December 31, 2014:

ACT	$ 53,530
Victims of Crimes Act (VOCA)	184,596
Douglas County	176,947
City of Lone Tree	8,000
Town of Parker	17,500
Victim Assistance and Law Enforcement Board (VALE)	120,000
Town of Castle Rock	35,000
State of Colorado - CACFP	20,972
State of Colorado - CDBG	5,590
	$ 622,135

(9) **Expenses**

Total expenses incurred are as follows:

Total expenses reported by function	$ 1,449,295
Cost of direct benefit to donors	62,189
Total expenses	$ 1,511,484

(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,	
2015	$ 12,036
2016	1,982
	$ 14,018

Rent and lease expenses amounted to $13,199 for the year ended December 31, 2014.