CRISIS CENTER

Financial Statements As Of December 31, 2015

Together With Independent Auditors' Report

JDS professional group

certified public accountants, consultants and advisors

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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, 2015, 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

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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 Crisis Center as of December 31, 2015, and the changes in its net assets 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 18, 2016

CRISIS CENTER

Statement Of Financial Position
As Of December 31, 2015

ASSETS	
Current Assets:	
Cash and cash equivalents	$ 115,996
Restricted cash	978
Accounts receivable	82,127
Promise to give	12,500
Inventory	4,847
Total Current Assets	216,448
Property And Equipment:	
Land	194,970
Building and improvements	2,159,833
Furniture and equipment	76,177
	2,430,980
Less: accumulated depreciation and amortization	(410,914)
Net Property and Equipment	2,020,066
TOTAL ASSETS	$ 2,236,514
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable and accrued liabilities	$ 31,968
Current portion of mortgage payable	5,291
Total Current Liabilities	37,259
Line of credit	38,742
Mortgage payable	58,635
Total Liabilities	134,636
Net Assets:	
Unrestricted	2,089,378
Temporarily restricted	12,500
Total Net Assets	2,101,878
TOTAL LIABILITIES AND NET ASSETS	$ 2,236,514

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

CRISIS CENTER

		Unrestricted	Temporarily Restricted	Total
Support And Revenue:				
Support -				
Contributions and grants		$ 1,012,989	$ 50,000	$ 1,062,989
Special events	$284,193			
Less: Direct benefit to donors	(61,530)	222,663		222,663
Total Support		1,235,652	50,000	1,285,652
Revenue -				
Service fees		9,710		9,710
Sales revenue		1,558		1,558
Interest income		39		39
Miscellaneous		1,000		1,000
Total Revenue		12,307		12,307
Net assets released from restrictions -				
Satisfaction of time and purpose restrictions		67,500	(67,500)	
Total Support And Revenue		1,315,459	(17,500)	1,297,959
Expenses:				
Program Services -				
Shelter		562,722		562,722
Therapy		422,465		422,465
Legal		183,734		183,734
Outreach/community education		57,704		57,704
Total Program Services		1,226,625		1,226,625
Supporting Services -				
General administrative		143,259		143,259
Fundraising		65,328		65,328
Total Supporting Services		208,587		208,587
Total Expenses		1,435,212		1,435,212
CHANGES IN NET ASSETS		(119,753)	(17,500)	(137,253)
Net Assets, Beginning Of Year		2,209,131	30,000	2,239,131
NET ASSETS, END OF YEAR		$ 2,089,378	$ 12,500	$ 2,101,878

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

CRISIS CENTER

Statement Of Functional Expenses
For The Year Ended December 31, 2015

	Program Services					Supporting Services			
	Shelter	Therapy	Legal	Outreach/ Community Education	Total	General Admin.	Fundraising	Total	2015 Total
Salaries	$ 387,757	$ 307,111	$ 141,800	$ 44,176	$ 880,844	$ 79,341	$ 44,176	$ 123,517	$ 1,004,361
Payroll taxes and employee benefits	40,020	31,697	14,635	4,559	90,911	8,189	4,560	12,749	103,660
Total employee related expenses	427,777	338,808	156,435	48,735	971,755	87,530	48,736	136,266	1,108,021
Professional services	4,283	3,392	1,566	1,492	10,733	7,736	488	8,224	18,957
Food and office supplies	6,248	4,948	2,285	711	14,192	1,278	712	1,990	16,182
Dues and publications	1,427	1,130	522	163	3,242	292	163	455	3,697
Utilities	8,620	8,620			17,240	8,620		8,620	25,860
Telephone	14,989	10,147	2,723	848	28,707	2,546	848	3,394	32,101
Maintenance and repair	23,053	20,278	4,878	1,520	49,729	12,442	1,520	13,962	63,691
Occupancy	10,695	5,904	2,571		19,170	3,332		3,332	22,502
Postage and printing	546	432	200	62	1,240	112	62	174	1,414
Travel and staff expense	5,839	4,625	2,135	665	13,264	1,195	665	1,860	15,124
Program and other expense	30,757	666			31,423				31,423
Special events							8,890	8,890	8,890
Insurance and taxes	5,518	5,325	2,018	629	13,490	2,836	629	3,465	16,955
Miscellaneous	85	65	32	272	454	10,657	8	10,665	11,119
Depreciation and amortization	22,885	18,125	8,369	2,607	51,986	4,683	2,607	7,290	59,276
Total	$ 562,722	$ 422,465	$ 183,734	$ 57,704	$ 1,226,625	$ 143,259	$ 65,328	$ 208,587	$ 1,435,212

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

CRISIS CENTER

Cash flows from operating activities:	
Changes in net assets	$ (137,253)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation and amortization expense	59,276
Changes in operating assets and liabilities -	
Decrease in accounts receivable	12,028
Decrease in promises to give	17,500
Decrease in inventory	570
(Decrease) in accounts payable and accrued liabilities	(11,146)
Net cash (used in) operating activities	(59,025)
Cash flow from investing activities	
Purchase of property and equipment	(11,881)
Net cash (used in) investing activities	(11,881)
Cash flows from financing activities:	
Payments on mortgage payable	(5,092)
Payments on line of credit	(117,258)
Proceeds from line of credit	149,000
Net cash provided by financing activities	26,650
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(44,256)
Cash And Cash Equivalents, Beginning Of Year	161,230
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 116,974
Supplemental Disclosure:	
Cash paid for interest	$ 6,344

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.

(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, 2015, 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, 2015, 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, 2015, 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 18, 2016, 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, 2015, 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, 2012. 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, 2015, 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, 2015, the entire promise to give balance is due from one grantor.

(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.	$ 63,926

Future annual maturities as of December 31, 2015, are as follows:

2016	$	5,291
2017		5,581
2018		5,887
2019		6,210
2020		6,550
Thereafter		34,407
	$	63,926

(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, 2015, there was a balance of $38,742 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, 2015:

ACT	$ 64,063
City of Lone Tree	8,000
Douglas County	180,558
Emergency Shelter Grant	20,000
State of Colorado - CACFP	17,282
State of Colorado - CDBG	12,000
Town of Castle Rock	15,000
Town of Parker	17,500
Victim Assistance and Law Enforcement Board (VALE)	127,500
Victims of Crimes Act (VOCA)	196,798
	$ 658,701

(9) **Expenses**

Total expenses incurred are as follows:

Total expenses reported by function	$ 1,435,212
Cost of direct benefit to donors	61,530
Total expenses	$ 1,496,742