

**HOMEAID COLORADO**  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
TOGETHER WITH INDEPENDENT AUDITORS' REPORT

**HOMEAID COLORADO**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

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February 17, 2016

INDEPENDENT AUDITORS' REPORT

Board of Directors  
Colorado Community Shelter Providers, Inc,  
dba HomeAid Colorado  
Centennial, Colorado

We have audited the accompanying financial statements of **Colorado Community Shelter Providers, Inc, dba HomeAid Colorado** (a Colorado nonprofit corporation), which comprise the statement of financial position as of December 31, 2016, 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 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 of 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 Colorado Community Shelter Providers, Inc. as of December 31, 2016, 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.

***Report on Summarized Comparative Information***

We have previously audited Colorado Community Shelter Providers, Inc's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 5, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

TAYLOR, ROTH AND COMPANY, PLLC  
CERTIFIED PUBLIC ACCOUNTANTS

DRAFT

**HOMEAID COLORADO**  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2016  
(WITH COMPARATIVE TOTALS FOR 2015)

	<u>2016</u>	<u>2015</u>
<u>Assets</u>		
Cash and cash equivalents - unrestricted	\$ 556,666	\$ 177,712
Cash and cash equivalents - temporarily restricted	256,300	250,000
Contributions receivable	-	740
Note receivable	-	90,000
Prepaid expenses	387	296
Investments	440	514
Net property and equipment (Note 3)	-	167
Total assets	<u>\$ 813,793</u>	<u>\$ 519,429</u>
<u>Liabilities and net assets</u>		
<u>Liabilities</u>		
Accounts payable	\$ 1,020	\$ 981
Accrued vacation liability	8,379	7,217
Total liabilities	<u>9,399</u>	<u>8,198</u>
<u>Net assets</u>		
Unrestricted		
Operating	548,094	261,231
Temporarily restricted (Note 4)	256,300	250,000
Total net assets	<u>804,394</u>	<u>511,231</u>
Total liabilities and net assets	<u>\$ 813,793</u>	<u>\$ 519,429</u>

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The accompanying notes are an integral part of these financial statements

**HOMEAID COLORADO**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Total
<u>Revenue and other support</u>				
Contributions	\$ 344,371	\$ -	\$ 344,371	\$ 11,198
Special event income	165,234	-	165,234	160,893
less: direct event expenses	(22,697)	-	(22,697)	(19,683)
Foundations	26,146	36,300	62,446	63,123
Program fees	2,636	-	2,636	11,307
Interest	258	-	258	232
Unrealized gain (loss) on investment	(74)	-	(74)	(159)
In-kind (Note 5)	189,688	-	189,688	162,728
Net assets released from restrictions (Note 6)	30,000	(30,000)	-	-
Total revenue and other support	<u>735,562</u>	<u>6,300</u>	<u>741,862</u>	<u>389,639</u>
<u>Expense</u>				
Program services	381,579	-	381,579	286,952
Supporting services				
Management and general	40,211	-	40,211	36,664
Fund-raising	26,909	-	26,909	19,408
Total expense	<u>448,699</u>	<u>-</u>	<u>448,699</u>	<u>343,024</u>
Change in net assets	286,863	6,300	293,163	46,615
Net assets, beginning of year	<u>261,231</u>	<u>250,000</u>	<u>511,231</u>	<u>464,616</u>
Net assets, end of year	<u>\$ 548,094</u>	<u>\$ 256,300</u>	<u>\$ 804,394</u>	<u>\$ 511,231</u>
	-	-	-	-

The accompanying notes are an integral part of these financial statements

## HOMEAID COLORADO

### STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

	2016			2015	
	Shelter Development Program	Supporting Services		Total	Total
		Manage- ment and General	Fund- raising		
Salaries	\$ 120,721	\$ 10,042	\$ 15,090	\$ 145,853	\$ 134,615
Payroll taxes and benefits	34,981	10,389	4,373	49,743	37,587
In-kind construction materials	104,769	-	5,693	110,462	25,005
In-kind construction labor	74,835	-	-	74,835	67,740
Rent	8,491	2,460	1,050	12,001	11,390
Accounting and audit	-	8,030	-	8,030	6,450
Advertising	5,068	-	-	5,068	4,940
Supplies	3,442	1,168	415	5,025	922
Travel	4,840	-	-	4,840	3,575
Insurance	1,657	2,875	-	4,532	11,810
Gifts and honoriums	3,797	-	-	3,797	1,682
Dues and subscriptions	3,293	220	-	3,513	3,085
Telephone	2,492	479	288	3,259	2,390
Program expenses	3,030	-	-	3,030	4,096
Meetings	2,250	-	-	2,250	389
Website	2,100	-	-	2,100	2,100
Shelter development	2,098	-	-	2,098	1,953
Bank fees	-	1,362	-	1,362	1,244
Equipment	1,334	-	-	1,334	122
In-kind legal	-	1,332	-	1,332	15,748
Printing	691	-	-	691	314
Contract services	-	615	-	615	3,554
Postage	123	57	-	180	60
All other	1,567	1,015	-	2,582	2,087
	<u>381,579</u>	<u>40,044</u>	<u>26,909</u>	<u>448,532</u>	<u>342,858</u>
Depreciation	-	167	-	167	166
Total	<u>\$ 381,579</u>	<u>\$ 40,211</u>	<u>\$ 26,909</u>	<u>\$ 448,699</u>	<u>\$ 343,024</u>
	-	-	-	-	-
	-	-	-	-	-

The accompanying notes are an integral part of these financial statements

**HOMEAID COLORADO**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

	2016	2015
<u>Cash flows from operating activities</u>		
Change in net assets	\$ 293,163	\$ 46,615
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Unrealized (gain) loss on investments	74	584
In kind (donation) of land	-	(90,000)
Depreciation expense	167	166
<u>Changes in operating assets and liabilities</u>		
(Increase)decrease in accounts receivable	740	(740)
(Increase)decrease in prepaid expenses	(91)	(49)
(Increase) decrease in accounts payable	39	(39)
(Increase) decrease in payroll liabilities	1,162	2,171
Net cash provided(used) by operating activities	295,254	(41,292)
<u>Cash flows from investing activities</u>		
Decrease in notes receivable	90,000	-
Net cash provided(used) by investing activities	90,000	-
Net increase(decrease) in cash and cash equivalents	385,254	(41,292)
Cash and cash equivalents, beginning of year	427,712	469,004
Cash and cash equivalents, end of year	\$ 812,966	\$ 427,712
	-	-

The accompanying notes are an integral part of these financial statements



**HOMEAID COLORADO**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016

NOTE 1 - NATURE OF ACTIVITIES

Colorado Community Shelter Providers, Inc., dba HomeAid Colorado (the Organization) was incorporated in the State of Colorado in 1999, and is an exempt organization under the provisions of Internal Revenue Code Section 501(c)(3). The Organization was formed for the purpose of renovating and building shelters for care provider organizations for their use in providing shelter to the temporarily homeless in Colorado. In this pursuit, the Organization recruits potential care provider organizations and a general contractor or a home builder (referred to as a Builder Captain, to coordinate the efforts of the trades involved). The Organization also recruits construction trades to perform work on the project and solicits in-kind contributions of materials and services from those involved in the construction of the project. The Organization is primarily supported by in-kind contributions, and special events.

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 Organization is required to report information regarding its financial position and activities according to three classes on net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

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. Contributions

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless the explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent donor stipulations regarding how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

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

5. Accounts Receivable

The Organization states accounts receivable at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

6. Capitalization and Depreciation

The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$2,000. The fair value of donated assets is similarly capitalized. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

7. 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.

8. 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.

9. Investments

Investments consist of publicly traded stocks and are carried at fair value based on quoted prices in active markets (all Level 1 measurements).

10. Functional Reporting of Expenses

For the year ended December 31, 2016, 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.

11. 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, 2014, from which the summarized information was derived.

12. Reclassifications

Certain prior year balances have been reclassified to conform to the current year financial statement presentation.

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

13. Accounting for Uncertain Tax Positions

Effective January 1, 2009, the Organization adopted the provisions of FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (“FIN 48”). The Organization determined that no cumulative effect adjustment was necessary upon adoption of FIN 48, and that no uncertain tax positions have been taken (or are expected to be taken) that could have a material effect on its income tax liabilities. The Organization believes that it has conducted its operations in accordance with, and has properly maintained, its tax-exempt status.

14. 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).

15. Subsequent Events

Management has evaluated subsequent events through February 17, 2017, the date the financial statements were available to be issued.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

<u>Description</u>	<u>Amount</u>
Computers	\$ 7,277
Less: accumulated depreciation	<u>(7,277)</u>
Net property and equipment	<u>\$ 0</u> 0

Depreciation expense for the year was \$167.

NOTE 4 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

<u>Description</u>	<u>Amount</u>
Boettcher Foundation – capital grant	\$ 250,000
VOA Durango home project	<u>6,300</u>
	<u>\$ 256,300</u>

0

NOTE 5 - IN-KIND CONTRIBUTIONS

Donated materials and services are reflected in the accompanying statements at their estimated values at date of receipt. The value of donated services and materials included in the financial statements and the corresponding expenses for the year are as follows:

<u>Description</u>	<u>Amount</u>
Construction materials and services	\$ 104,769
Construction labor	74,835
Rent	2,400
Web design	2,100
Table donations	<u>5,584</u>
Total	<u>\$ 189,688</u> 0

NOTE 6 - NET ASSETS RELEASED FROM RESTRICTIONS

During the year, net assets were released from donor restrictions by incurring expenses satisfying the conditions of the grant.

<u>Description</u>	<u>Amount</u>
America female veteran's project	\$ 25,000
Essentials program	<u>5,000</u>
Total	<u>\$ 30,000</u>

NOTE 7 - PENSION PLAN

The Organization has a simple IRA (IRA) covering all eligible employees. The Organization makes a contribution to the IRA each year, matching employee contributions at an amount equal to 3% of all participants' compensation. Total pension expense for the year was \$388.

NOTE 8 - RELATED PARTY

The Organization is a chapter of HomeAid America Inc. During the year, the Organization incurred \$2,500 of dues payable to HomeAid America Inc. to cover costs associated with administration and public relations at the national level. The Organization also paid \$650 of general liability insurance premiums payable to HomeAid America Inc. relating to premiums collected from care providers.

NOTE 9 - CONCENTRATION OF FUNDING SOURCE

The Organization receives a significant amount of its in-kind contributions from a limited number of homebuilders, which makes the Organization vulnerable to the risk of a near-term financial impact. Although this risk exists, the Organization does not expect that contributions from these home builders will be lost.