



FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

TOGETHER WITH INDEPENDENT ACCOUNTANTS'  
REVIEW REPORT

  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

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[REDACTED]

April 2, 2019

Independent Accountants' Review Report

Board of Directors  
[REDACTED]

Denver, Colorado

We have reviewed the accompanying financial statements of [REDACTED] (a Colorado nonprofit organization) 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Financial Statements**

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.

**Accountants' Responsibility**

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

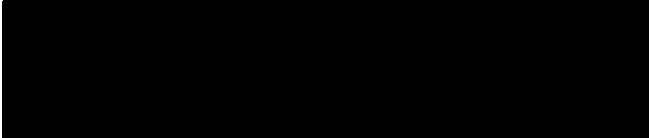
**Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements for the year ended December 31, 2018, in order for them to be in accordance with accounting principles generally accepted in the United States of America.


[REDACTED]

**Report on Summarized Comparative Information**

We previously reviewed [REDACTED] 2017 financial statements and in our report dated September 11, 2018, stated that based on our review, we were not aware of any material modifications that should be made to the 2017 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2017, for it to be consistent with the reviewed financial statements from which it has been derived.




**CERTIFIED PUBLIC ACCOUNTANTS**

  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2018  
(WITH COMPARATIVE TOTALS FOR 2017)

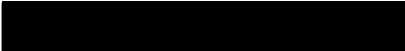
	<u>2018</u>	<u>2017</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 23,951	\$ 3,966
Property and equipment, net (Note 3)	-	850
Total assets	<u>\$ 23,951</u>	<u>\$ 4,816</u>
<u>Liabilities and net assets</u>		
<u>Liabilities</u>		
Accounts payable	\$ 525	\$ 580
Accrued payroll expenses	10,553	10,553
Total liabilities	<u>11,078</u>	<u>11,133</u>
<u>Net assets</u>		
Without donor restrictions	<u>12,873</u>	<u>(6,317)</u>
Total liabilities and net assets	<u>\$ 23,951</u>	<u>\$ 4,816</u>

See accompanying notes and independent accountants' review report

  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE TOTALS FOR 2017)


	<u>2018</u>	<u>2017</u>
<u>Revenue and other support</u>		
Government grants and contracts	\$ 117,643	\$ 93,894
Special events (Note 5)	16,399	16,046
Foundation grants	10,000	-
Contributions	9,294	6,441
All other	151	171
	<u>153,487</u>	<u>116,552</u>
 <u>Expense</u>		
Program services	120,139	115,982
Supporting services		
Management and general	10,762	7,336
Fund-raising	3,396	-
	<u>134,297</u>	<u>123,318</u>
Total expense		
Change in net assets	19,190	(6,766)
 Net assets, beginning of year as previously reported	(11,517)	(2,151)
Corrections of errors in expense recognition--		
Fiscal year 2016 (Note 6)	2,600	2,600
Fiscal year 2017 (Note 6)	2,600	-
	<u>(6,317)</u>	<u>449</u>
Net assets, beginning of year, as restated		
Net assets, end of year	<u>\$ 12,873</u>	<u>\$ (6,317)</u>

See accompanying notes and independent accountants' review report

  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE TOTALS FOR 2017)

<u>Description</u>	<u>2018</u>			<u>2017</u>	
	<u>Supporting Services</u>			<u>Total</u>	<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fund-raising</u>		
Salaries	\$ 64,475	\$ 2,773	\$ 2,080	\$ 69,328	\$ 70,900
Payroll taxes and benefit	12,187	524	393	13,104	14,360
Victim assistance	28,228	-	-	28,228	10,887
Rent	4,862	270	270	5,402	4,800
Accounting and audit	-	4,475	-	4,475	3,900
Telephone and internet	3,366	187	187	3,740	5,554
Travel	2,600	-	-	2,600	5,492
Office supplies	1,373	275	183	1,831	1,332
Seminars and conferences	-	1,360	-	1,360	525
All other	2,410	771	198	3,379	5,281
	<u>119,501</u>	<u>10,635</u>	<u>3,311</u>	<u>133,447</u>	<u>123,031</u>
Depreciation	638	127	85	850	287
Total expenses	<u>\$ 120,139</u>	<u>\$ 10,762</u>	<u>\$ 3,396</u>	<u>\$ 134,297</u>	<u>\$ 123,318</u>

See accompanying notes and independent accountants' review report

  
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	\$ 19,190	\$ (6,766)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	850	287
<u>Changes in operating assets and liabilities</u>		
Increase(decrease) in accounts payable	(55)	(111)
Increase(decrease) in accrued payroll expenses	-	5,353
Net increase(decrease) in cash and cash equivalents	19,985	(1,237)
Cash and cash equivalents, beginning of year	3,966	5,203
Cash and cash equivalents, end of year	\$ 23,951	\$ 3,966

See accompanying notes and independent accountants' review report



[REDACTED]

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 - NATURE OF ACTIVITIES

[REDACTED] (the Organization), a Colorado nonprofit corporation, provides advocacy, education and financial assistance for travel, allowing crime victims to attend post-sentencing hearings (parole hearings, community correction hearings, etc.). [REDACTED] also serves as a [REDACTED] throughout Colorado.

In 2018 [REDACTED] served approximately [REDACTED] victims of violent crime. The number of crime victims that the Organization has helped has grown in recent years and benefits from forward thinking, civic-minded individuals, and other community organizations that recognize their essential role in the community. The Organization has been supported primarily by state government grants, special events, 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 have been prepared in accordance with U.S. generally accepted accounting principles which require the Organization to report 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 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, whereby the donor has stipulated that 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 restriction to net assets without donor restriction in the statement of activities.

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.

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

4. Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.

All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

5. Promises to Give

Unconditional promises to give are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fund-raising activity. No allowance was deemed necessary at December 31, 2018.

6. Capitalization and Depreciation

The Organization follows a practice of capitalizing all expenditures for property and equipment in excess of \$500. The fair value of donated assets is similarly capitalized. Depreciation is computed 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.

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

9. 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 and statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The allocations are determined by management on a rational and systematic basis. Salaries and benefits are allocated on a time and effort basis. Occupancy, utilities and depreciation are allocated on square footage. All other expenses are allocated on a time and effort basis.

10. 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.

11. New Accounting Pronouncement

On August 18, 2016, the Financial Accounting Standards Board 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. Reclassifications

Certain fiscal year 2017 balances have been reclassified to conform to the fiscal year 2018 financial statement presentation.

13. Subsequent Events

Management has evaluated subsequent events through April 2, 2019, the date the financial statements were available to be issued.

NOTE 3 - PROPERTY AND EQUIPMENT

At December 31, 2018, the Organization has \$1,706 in fully depreciated property and equipment consisting of furniture and equipment. Depreciation expense for the year was \$ 850.

NOTE 4 - COMITMENTS AND CONTINGENCIES

Office leases

The Organization had an annual operating lease agreement for office space. This lease expired June 30, 2018 and was not renewed. Monthly lease payments were \$400.

On July 1, 2018, the Organization entered into a non-cancelable operating lease agreement with [REDACTED] for office space. The lease expires July 30, 2019 and can be renewed on an annual basis. Monthly lease payments are \$538 with additional charges for utilities.

Total rent expense for these leases was \$5,402 for the year ended December 31, 2018.

Grants

Grants require the fulfillment of certain conditions set forth in the instrument of the grant. Failure to fulfill the conditions could result in disallowed claims or questioned costs and may constitute a liability of the Organization.

NOTE 5 - SPECIAL EVENTS

For the year ended December 31, 2018, special events consisted of a birthday party thrown for the Organizations Executive Directors. Direct special events expenses were minimal and would include items that are of direct benefit to the attendees.

NOTE 6 - CORRECTIONS OF ERRORS IN EXPENSE RECOGNITION

During the current year, it was discovered that wages payable and salary expense had not been properly recorded in prior years. To correct these errors, an adjustment of \$2,600 was made to decrease wages payable and increase net assets for fiscal years 2016 and 2017. These adjustments decreased the fiscal year 2017 change in net assets by \$5,200.

NOTE 7 - AVAILABILITY AND LIQUIDITY

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

<u>Description</u>	<u>Amount</u>
Cash and cash equivalents	<u>\$ 23,951</u>

The Organization's goal is generally to maintain financial assets to meet 2 months of operating expenses and loan payments (approximately \$22,400).

NOTE 4 - CONCENTRATION OF FUNDING SOURCE

For the year ended December 31, 2018, the Organization received 39% of its funding from one federal agency, and is dependent on that funding to continue with its current level of service. Management expects this grant to continue into the foreseeable future.