

# **HOMEAID COLORADO**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

**TOGETHER WITH INDEPENDENT AUDITORS' REPORT**

**HOMEAID COLORADO**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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# Transparent Accounting Consultants, PLLC

## Certified Public Accountants

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August 16, 2022

### INDEPENDENT AUDITORS' REPORT

Board of Directors  
Colorado Community Shelter Providers, Inc,  
dba HomeAid Colorado  
Lakewood, 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, 2021, 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, 2021, 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 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 7, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Transparent Accounting Consultants, PLLC*

TRANSPARENT ACCOUNTING CONSULTANTS, PLLC  
CERTIFIED PUBLIC ACCOUNTANTS

**HOMEAID COLORADO**  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2021  
(WITH COMPARATIVE TOTALS FOR 2020)

|                                     | 2021         | 2020         |
|-------------------------------------|--------------|--------------|
| <u>Assets</u>                       |              |              |
| Cash and cash equivalents           | \$ 341,377   | \$ 206,174   |
| Contributions receivable            | 9,333        | 27,343       |
| Prepaid expenses                    | 12,570       | 7,275        |
| Investments (Note 3)                | 945,274      | 899,879      |
| Net property and equipment (Note 4) | 25,133       | 19,259       |
| Total assets                        | \$ 1,333,687 | \$ 1,159,930 |
| <u>Liabilities and net assets</u>   |              |              |
| <u>Liabilities</u>                  |              |              |
| Accounts payable                    | \$ 3,465     | \$ 2,711     |
| Payroll liabilities                 | 14,564       | 13,075       |
| Commitments (Note 5)                | -            | -            |
| Total liabilities                   | 18,029       | 15,786       |
| <br><u>Net assets</u>               |              |              |
| Unrestricted                        |              |              |
| Operating                           | 1,065,658    | 894,144      |
| Temporarily restricted (Note 6)     | 250,000      | 250,000      |
| Total net assets                    | 1,315,658    | 1,144,144    |
| Total liabilities and net assets    | \$ 1,333,687 | \$ 1,159,930 |

The accompanying notes are an integral part of these financial statements

**HOMEAID COLORADO**  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE TOTALS FOR 2020)

|                                       | 2021               |                           |                  | 2020                |
|---------------------------------------|--------------------|---------------------------|------------------|---------------------|
|                                       | Unrestricted       | Temporarily<br>Restricted | Total            | Total               |
| <u>Revenue and other support</u>      |                    |                           |                  |                     |
| Contributions                         | \$ 724,369         |                           | \$ 724,369       | \$ 287,314          |
| Special event income                  | 176,392            |                           | 176,392          | 34,411              |
| less: direct event expenses           | (65,349)           |                           | (65,349)         | (9,484)             |
| Foundations                           | 50,000             |                           | 50,000           | 64,000              |
| Gain (loss) on investment             | 45,395             |                           | 45,395           | 34,285              |
| Program fees                          | 34,525             |                           | 34,525           | 49,362              |
| Other income                          | 276                |                           | 276              | -                   |
| In-kind (Note 7)                      | 273,700            |                           | 273,700          | 439,349             |
| Net assets released from restrictions | -                  |                           | -                | -                   |
| Total revenue and other support       | <u>1,239,308</u>   | <u>-</u>                  | <u>1,239,308</u> | <u>899,237</u>      |
| <u>Expense</u>                        |                    |                           |                  |                     |
| Program services                      | 1,024,693          |                           | 1,024,693        | 747,488             |
| Supporting services                   |                    |                           |                  |                     |
| Management and general                | 61,636             |                           | 61,636           | 58,677              |
| Fund-raising                          | 29,635             |                           | 29,635           | 29,396              |
| Total expense                         | <u>1,115,964</u>   | <u>-</u>                  | <u>1,115,964</u> | <u>835,561</u>      |
| Change in net assets                  | 123,344            | -                         | 123,344          | 63,676              |
| PPP Forgiveness                       | 48,170             |                           | 48,170           | -                   |
| Net assets, beginning of year         | <u>894,144</u>     | <u>250,000</u>            | <u>1,144,144</u> | <u>1,080,468</u>    |
| Net assets, end of year               | <u>\$1,065,658</u> | <u>\$ 250,000</u>         | <u>1,315,658</u> | <u>\$ 1,144,144</u> |

The accompanying notes are an integral part of these financial statements

## HOMEAID COLORADO

### STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2021 (WITH COMPARATIVE TOTALS FOR 2020)

|                                | 2021                              |                                |                  | 2020         |            |
|--------------------------------|-----------------------------------|--------------------------------|------------------|--------------|------------|
|                                | Supporting Services               |                                |                  |              |            |
|                                | Shelter<br>Development<br>Program | Manage-<br>ment and<br>General | Fund-<br>raising | Total        | Total      |
| Salaries                       | \$ 156,746                        | \$ 19,593                      | \$ 21,197        | \$ 197,536   | \$ 212,343 |
| Payroll taxes and benefits     | 40,091                            | 5,012                          | 5,012            | 50,115       | 51,964     |
| Shelter development            | 505,515                           | 2,500                          | -                | 508,015      | 46,669     |
| In-kind construction materials | 220,263                           | -                              | -                | 220,263      | 365,773    |
| Advertising                    | 39,788                            | -                              | -                | 39,788       | 19,065     |
| Rent                           | 22,792                            | 2,850                          | 2,849            | 28,491       | 25,892     |
| Accounting and audit           | -                                 | 9,269                          | -                | 9,269        | 8,918      |
| Workforce Development          | 8,141                             | -                              | -                | 8,141        | 18,347     |
| Contract services              | -                                 | 7,775                          | -                | 7,775        | 8,825      |
| Insurance                      | 5,132                             | 2,090                          | -                | 7,222        | 20,376     |
| Bank fees                      | -                                 | 6,640                          | -                | 6,640        | 6,376      |
| Meetings                       | 4,981                             | -                              | -                | 4,981        | 1,840      |
| Dues and subscriptions         | 3,208                             | 1,153                          | -                | 4,361        | 3,545      |
| Travel                         | 3,875                             | -                              | -                | 3,875        | 926        |
| Telephone                      | 2,643                             | 330                            | 330              | 3,303        | 3,069      |
| In-kind construction labor     | 2,500                             | -                              | -                | 2,500        | 2,500      |
| Supplies                       | 238                               | 1,943                          | 237              | 2,418        | 1,782      |
| Equipment                      | -                                 | 2,236                          | -                | 2,236        | 879        |
| In-kind legal                  | 930                               | -                              | -                | 930          | 32,505     |
| Gifts and honorariums          | 639                               | -                              | -                | 639          | 434        |
| Printing                       | 297                               | -                              | -                | 297          | -          |
| Repair                         | -                                 | 245                            | -                | 245          | 803        |
| Postage                        | 96                                | -                              | 10               | 106          | 60         |
| All other                      | -                                 | -                              | -                | -            | 530        |
|                                | 1,017,875                         | 61,636                         | 29,635           | 1,109,146    | 833,421    |
| Depreciation                   | 6,818                             | -                              | -                | 6,818        | 2,140      |
| Total                          | \$ 1,024,693                      | \$ 61,636                      | \$ 29,635        | \$ 1,115,964 | \$ 835,561 |

The accompanying notes are an integral part of these financial statements

**HOMEAID COLORADO**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(WITH COMPARATIVE TOTALS FOR 2020)**

|   | 2021       | 2020       |
|---|------------|------------|
| <u>Cash flows from operating activities</u>   |            |            |
| Change in net assets  | \$ 123,344 | \$ 63,676  |
| Adjustments to reconcile change in net assets<br>to net cash provided by operating activities |            |            |
| Unrealized (gain) loss on investments   | (30,638)   | (19,747)   |
| PPP Loan forgiveness  | 48,170     | -          |
| Depreciation expense  | 6,818      | 2,140      |
| <u>Changes in operating assets and liabilities</u>  |            |            |
| (Increase)decrease in contributions receivable  | 18,010     | 20,668     |
| (Increase)decrease in prepaid expenses  | (5,295)    | 2,225      |
| (Increase) decrease in accounts payable   | 754        | (912)      |
| (Increase) decrease in payroll liabilities  | 1,489      | 6,046      |
| Net cash provided(used) by operating activities   | 162,652    | 74,096     |
| <u>Cash flows from investing activities</u>   |            |            |
| Additions to fixed assets   | (12,692)   | (21,399)   |
| Reinvestment of earnings  | (14,757)   | (14,538)   |
| Net cash provided(used) by investing activities   | (27,449)   | (35,937)   |
| Net increase(decrease) in cash and cash equivalents   | 135,203    | 38,159     |
| Cash and cash equivalents, beginning of year  | 206,174    | 168,015    |
| Cash and cash equivalents, end of year  | \$ 341,377 | \$ 206,174 |

The accompanying notes are an integral part of these financial statements



**HOMEAID COLORADO**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

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 non-profit organizations for their use in providing housing, counseling, education and other programs to those experiencing or at risk of homelessness across Colorado. The organization maximizes their relationships within the building industry to perform work on construction type projects and solicits in-kind contributions of materials and labor. The organization also provides outreach efforts such as an annual diaper drive and a collection of socks, hats & gloves which are distributed to non-profit organizations assisting those in need in Colorado. The Organization is primarily supported by in-kind contributions, and donations.

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 HomeAid Colorado 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 restrictions to net assets without donor restrictions 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 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.

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, 2021, 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. The allocations are determined by management on a rational and systematic basis. Salaries and benefits are allocated on a time and effort basis. Occupancy is allocated based on square footage. All other expenses are directly assigned or allocated to the functional are benefited.

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

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, 2020, from which the summarized information was derived.

12. 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).

13. Subsequent Events

Management has evaluated subsequent events through August 16, 2022, the date the financial statements were available to be issued.

NOTE 3 - INVESTMENTS

At year-end, investments are stated at their quoted market price (level one inputs) and consisted of:

| <u>Description</u>        | <u>Cost</u>       | <u>Fair Value</u> | <u>Unrealized Appreciation (Depreciation)</u> |
|---------------------------|-------------------|-------------------|---|
| Cash and cash equivalents | \$ 338,911        | \$ 338,911        | \$ 0  |
| Equity securities         | 229,089           | 306,727           | 77,638  |
| Fixed income              | <u>298,253</u>    | <u>299,636</u>    | <u>1,383</u>                                  |
|                           | <u>\$ 866,253</u> | <u>\$ 945,274</u> | <u>\$ 79,021</u>                              |

Investment income is summarized as follows:

| <u>Description</u>           | <u>Amount</u>    |
|------------------------------|------------------|
| Unrealized gain              | \$ 31,867        |
| Realized gains               | 4,211            |
| Interest and dividend income | <u>14,757</u>    |
| Total                        | 50,835           |
| Less: fees                   | <u>(5,440)</u>   |
| Net investment return        | <u>\$ 45,395</u> |

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

| <u>Description</u>             | <u>Amount</u>    |
|--------------------------------|------------------|
| Office furniture               | \$ 34,091        |
| Computers                      | 7,277            |
| Less: accumulated depreciation | <u>(16,235)</u>  |
| Net property and equipment     | <u>\$ 25,133</u> |

Depreciation expense for the year was \$6,818.

NOTE 5 - COMMITMENTS

During 2017, the Organization entered into a lease for office space. In 2020, the Organization agreed to sublet the space for the remaining term and signed a new three-year lease at a new location. The future minimum lease payments are as follows:

| <u>Fiscal<br/>Year</u> | <u>Amount</u>    |
|------------------------|------------------|
| 2022                   | \$ 25,636        |
| 2023                   | <u>10,660</u>    |
| Total                  | <u>\$ 36,296</u> |

NOTE 6 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

| <u>Description</u>                   | <u>Amount</u>     |
|--------------------------------------|-------------------|
| Boettcher Foundation – capital grant | <u>\$ 250,000</u> |

NOTE 7 - 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 | \$ 166,886        |
| Essential care items                | 53,378            |
| Advertising                         | 35,215            |
| Office furniture                    | 12,691            |
| Construction labor                  | 2,500             |
| Meals                               | 1,600             |
| Legal                               | 930               |
| Special event supplies              | <u>500</u>        |
| Total                               | <u>\$ 273,700</u> |

NOTE 8 - 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 \$3,875.

NOTE 9 - 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 \$6,221 of general liability insurance premiums payable to HomeAid America Inc. relating to premiums collected from care providers. Additionally, the organization received a donation from HomeAid America Inc. in the amount of \$33,000.

NOTE 10 - 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.

NOTE 11 - AVAILABILITY AND LIQUIDITY

The following represents the Organizations financial assets at December 31, 2021:

| <u>Description</u>   | <u>Amount</u>       |
|--|---------------------|
| Cash and cash equivalents  | \$ 341,377          |
| Investments  | 945,274             |
| Contributions receivable   | <u>9,333</u>        |
| Total financial assets   | <u>1,295,984</u>    |
| Less amounts not available for general operations within<br>one year due to                  |                     |
| Donor purpose restrictions – Capital grant   | <u>250,000</u>      |
| Total financial assets available to meet general<br>expenditures over the next twelve months | <u>\$ 1,045,984</u> |

NOTE 12 - PAYCHECK PROTECTION PROGRAM

The organization received a loan from BOKF, NA dba Bank of Oklahoma in the amount of \$48,170 under the Paycheck Protection Program established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The loan is subject to a note dated March 20, 2021 and may be forgiven to the extent proceeds of the loan are used for eligible expenditures such as payroll and other expenses described in the CARES Act. The loan bears an interest rate of 1% and is payable in monthly installments of principal and interest of 24 months beginning 6 months from the date of the note. Subsequent to year end, the note has been forgiven by Bank of Oklahoma as it has met the qualifications for forgiveness.