

Bridge of Hope Greater Denver

Financial Report
March 31, 2018

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Accountant's Compilation Report

To the Board of Directors
Bridge of Hope Greater Denver

Report on the Financial Statements

I have compiled the accompanying financial statements of Bridge of Hope Greater Denver, which comprise the statement of financial position as of March 31, 2018 and 2017, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements (collectively, the financial statements). I have not audited or reviewed the accompanying financials statements, and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with principles generally accepted in the United States of America.

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.

Accountant's Responsibility

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

I am not independent with respect to Bridge of Hope Greater Denver as, during the years ended March 31, 2018 and 2017, I was a member of the Board of Directors of Bridge of Hope Greater Denver.



Denver, Colorado
May 2, 2018

Bridge of Hope Greater Denver

Statements of Financial Position
March 31, 2018 and 2017

	2018	2017
Assets		
Current assets:		
Cash	\$ 61,271	\$ 52,640
Accounts receivable	986	3,976
Prepaid expenses and other current assets	5,028	6,897
Total current assets	<u>67,285</u>	<u>63,513</u>
Total assets	<u>\$ 67,285</u>	<u>\$ 63,513</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 115	\$ 1,155
Accrued expenses	677	-
Accrued payroll and payroll related expenses	983	1,420
Total current liabilities	<u>1,775</u>	<u>2,575</u>
Total liabilities	<u>1,775</u>	<u>2,575</u>
Net assets		
Unrestricted	61,262	53,472
Temporarily restricted	-	3,965
Permanently restricted	4,248	3,501
Total net assets	<u>65,510</u>	<u>60,938</u>
Total liabilities and net assets	<u>\$ 67,285</u>	<u>\$ 63,513</u>

See notes to financial statements.

Bridge of Hope Greater Denver

Statements of Activities

**Year Ended March 31, 2018 with Comparative Totals
for the Year Ended March 31, 2017**

	2018				2017
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Public support and revenue:					
Individual contributions	\$ 23,452	\$ -	\$ 100	\$ 23,552	\$ 75,792
Church contributions	13,795	-	647	14,442	13,921
Corporate contributions	13,243	-	-	13,243	11,691
Foundation grants	5,500	-	-	5,500	3,600
Special fundraising events, net	57,391	(3,965)	-	53,426	9,461
Other income	-	-	-	-	-
Total public support and revenue	<u>113,381</u>	<u>(3,965)</u>	<u>747</u>	<u>110,163</u>	<u>114,465</u>
Functional expenses:					
Program services	18,400	-	-	18,400	18,903
Support services					
General and administrative	<u>87,191</u>	<u>-</u>	<u>-</u>	<u>87,191</u>	<u>69,777</u>
Total functional expenses	<u>105,591</u>	<u>-</u>	<u>-</u>	<u>105,591</u>	<u>88,680</u>
Change in net assets	7,790	(3,965)	747	4,572	25,785
Net assets					
Beginning of year	<u>53,472</u>	<u>3,965</u>	<u>3,501</u>	<u>60,938</u>	<u>35,153</u>
End of year	<u>\$ 61,262</u>	<u>\$ -</u>	<u>\$ 4,248</u>	<u>\$ 65,510</u>	<u>\$ 60,938</u>

See notes to financial statements.

Bridge of Hope Greater Denver

Statements of Functional Expenses

**Year Ended March 31, 2018 with Comparative Totals
for the Year Ended March 31, 2017**

	2018			2017
	Program Services	General and Administrative	Total	Total
Payroll and payroll related expenses				
Salaries	\$ -	\$ 64,149	\$ 64,149	\$ 52,112
Contract labor	-	1,854	1,854	2,518
Payroll taxes	-	4,907	4,907	3,773
	-	70,910	70,910	58,403
Other expenses				
Advertising	-	170	170	375
Dues and subscriptions	-	3,168	3,168	2,278
Insurance	-	2,197	2,197	1,880
Legal and accounting	-	-	-	-
Miscellaneous	178	2,743	2,921	3,785
Office supplies and postage	-	1,067	1,067	1,099
Rent expense	18,222	-	18,222	16,203
Telephone	-	1,066	1,066	362
Training	-	2,216	2,216	1,197
Travel, meals and entertainment	-	3,654	3,654	3,098
	18,400	16,281	34,681	30,277
Total functional expenses	\$ 18,400	\$ 87,191	\$ 105,591	\$ 88,680

See notes to financial statements.

Bridge of Hope Greater Denver

Statements of Cash Flows
Years Ended March 31, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ 4,572	\$ 25,785
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net change in assets and liabilities:		
Accounts receivable	2,990	(1,380)
Prepaid expenses and other current assets	1,869	(2,428)
Accounts payable	(1,040)	1,126
Accrued expenses	677	-
Accrued payroll and payroll related expenses	(437)	633
Net cash provided by operating activities	<u>8,631</u>	<u>23,736</u>
Net increase in cash	8,631	23,736
Cash:		
Beginning of year	<u>52,640</u>	<u>28,904</u>
End of year	<u>\$ 61,271</u>	<u>\$ 52,640</u>

See notes to financial statements.

Bridge of Hope Greater Denver

Notes to Financial Statements

Note 1. Organization

Bridge of Hope Greater Denver (the Organization) is a nonprofit organization located in Denver, Colorado. The vision of the Organization is to end and prevent homelessness for women and children across metro Denver by calling churches into action.

The Organizations mission is to call and equip compassionate people from many Christian faith traditions to exemplify Christ's love to homeless women and children. The Organization brings together professional staff and trained church-based mentoring groups to empower homeless and at-risk single monthers to attain (1) permanent housing, (2) financial stability through employment, (3) life-changing friendships, and (4) increased self-esteem and growth in areas of holistic living.

Note 2. Summary of Significant Accounting Policies

Basis of presentation: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting pricncipals general accepted in the United States of America (U.S. GAAP). Net assets and revenues and expenses are classified based on the existence or absence of donor-imposed restricions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporary restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets: Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investmetns for general or specific purposes.

Comparative Information: The financial statements include certain prior year summarized comparative information in total but not by asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended March 31, 2017, from which the summarized information was derived.

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of certain assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. On an ongoing basis, management reviews these estimates and assumptions based on currently available information. Actual results could differ from these estimates.

Revenue recognition: All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Unconditional promises to give which are due in future years are recorded as temporarily restricted contributions at the present value of their net realizable value. Conditional promises to give are not included as support until such time as the condition is substantially met.

Bridge of Hope Greater Denver

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Amounts received that are designated for future periods, or that are restricted by the donor for specific purpose, are reported as temporarily restricted or permanently restricted net assets. When a temporary restriction expires, that is, when a stipulated time restriction ends or purpose restrictions are met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Cash: The Organization considers all highly liquid investments purchased with original maturities of three months or less at the date of acquisition to be cash equivalents. At times, the Organizations cash balances may exceed FDIC insured limits. Management believes that the Organization maintains its cash balances with high credit quality institutions.

Accounts receivable: Accounts receivable are carried at original invoice amount less an estimate made for doubtful accounts receivables based on a review of all outstanding amounts. Management determines the allowance for doubtful accounts receivable by identifying troubled accounts and using historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. The Organization does not charge interest on past-due accounts receivable. Managements determined accounts receivable are fully collectible and no allowance for bad debts has been recorded at March 31, 2018 and 2017.

Donated services and materials: Donated materials, services, and other noncash assets are reflected as contributions in the accompanying statement of activities at their estimated fair market value on the date received. Donated materials include gift cards, program supplies, as well as various other items. Total donated materials were \$36,631 and \$2,451 for the years ended March 31, 2018 and 2017, respectively.

The Organization receives significant volunteer time for help in fundraising and in completing various office and administrative duties. No values have been assigned to these donated services, as they do not meet the criteria of recognition.

Rent expense: On July 28, 2016, the Organization entered into a one year lease to rent housing to provide under program services while at-risk single mothers are enrolled in the program from an unrelated party, with monthly lease payments of \$950 and expiring in July 2017 at which time the lease continued on a month to month basis. The Organization entered into a month to month sublease agreement with a participant enrolled in the program for this property with variable monthly lease payments. Total rental income from this sublease agreement during the years ended March 31, 2018 and 2017 was \$1,410 and \$2,020, respectively, included in rent expense in the accompanying statements of activities. Rent expense incurred and expensed during the years ended March 31, 2018 and 2017 was \$19,632 and \$18,223, respectively, related to assistance provided under program services while at-risk single mothers are enrolled in the program.

Income taxes: The Organization qualifies under the group exemption letter of Bridge of Hope, Inc. as exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization is not a private foundation as defined in Sections 170 and 509 of the Internal Revenue Code. The Organization files a separate Federal Form 990.

Bridge of Hope Greater Denver

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

The preparation of financial statements in conformity with the Financial Accounting Standards Board (the FASB) Accounting Standards Codification (ASC) Topic 740, *Income Taxes* (ASC 740), requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. The Organization has determined whether any tax positions have met the recognition threshold and has measured the Company's exposure to those tax positions. Management believes that the Company has adequately addressed all relevant tax positions and that there are no uncertain tax positions that would require adjustment to the financial statements to comply with the provisions of the guidance. The Organization would record any interest and penalties on income taxes within interest expense on the accompanying statements of income. The tax years from the fiscal year ended March 31, 2015 are open for examination by the U.S. federal, state, local or foreign tax authorities.

Subsequent events: The Organization has evaluated subsequent events through May 15, 2018, the date on which the financial statements were available to be issued.

Note 3. Temporarily Restricted Net Assets

Net assets have been restricted for the following purposes as of March 31, 2018 and 2017:

	2018	2017
Time restriction:		
Special events	\$ 18,990	\$ 14,050
	<u>\$ 18,990</u>	<u>\$ 14,050</u>

Net assets released from restrictions were as follows for the years ended March 31, 2018 and 2017:

	2018	2017
Time restrictions accomplished:		
Special events	\$ 20,790	\$ 14,415
	<u>\$ 20,790</u>	<u>\$ 14,415</u>

Note 4. Special Fundraising Events

The Organization had special events for the years ended March 31, 2018 and 2017 as follows:

	2018			
	Gala	Golf Tournament	Other Events	Total
Gross revenues	\$ 110,996	\$ 11,640	\$ 6,629	\$ 129,265
Direct expenses	(63,187)	(7,301)	(5,351)	(75,839)
	<u>\$ 47,809</u>	<u>\$ 4,339</u>	<u>\$ 1,278</u>	<u>\$ 53,426</u>
	2017			
	Benefit Concert	Golf Tournament	Other Events	Total
Gross revenues	\$ 6,605	\$ 15,576	\$ 1,895	\$ 24,076
Direct expenses	(9,378)	(5,087)	(150)	(14,615)
	<u>\$ (2,773)</u>	<u>\$ 10,489</u>	<u>\$ 1,745</u>	<u>\$ 9,461</u>

Revenues received of \$0 and \$1,800 in advance of the special fundraising event at March 31, 2018 and 2017, respectively, are included within gross revenues in the schedule above.