

Family Promise of Delaware County - Delaware County Interfaith Hospitality Network

Statement of Financial Position as of December 31, 2020

ASSETS:

Cash	\$	44,808
Contributions Receivable		1,000
Prepaid Expenses		3,693
Fixed Assets (net of \$23,838 of accumulated depreciation)		-
Total Assets	\$	<u>49,502</u>

LIABILITIES & NET ASSETS

Liabilities	\$	-
Net Assets:		
Net Assets without Donor Restrictions		
Board Designated Funds	4,500	
All Other Funds Without Donor Restrictions	<u>45,002</u>	
Total Net Assets Without Donor Restrictions	49,502	
Net Assets with Donor Restrictions	<u>-</u>	
Total Net Assets		<u>49,502</u>
Total Liabilities & Net Assets	\$	<u>49,502</u>

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Statement of Activities for the year ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
<u>Operating Revenues:</u>			
Contributions	\$ 68,366	\$ -	\$ 68,366
Grants - Delaware County	25,895		25,895
Grant, Paycheck Protection Program		15,402	15,402
Interest Income	9		9
Special Events Revenue	2,779		2,779
Net Assets Released from Restriction	15,402	(15,402)	-
Total Revenues	112,451	-	112,451
<u>Expenses:</u>			
Program Services	87,884		87,884
Administrative Exps.	5,066		5,066
Fundraising Expenses	-		-
Total Expenses	92,951	-	92,951
Change in Net Assets	19,500	-	19,500
Net Assets, beginning of year	30,002	-	30,002
Net Assets, end of year	\$ 49,502	\$ -	\$ 49,502

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Statement of Functional Expenses for the year ended December 31, 2020

	<u>Unrestricted Expenses</u>			Total
	(a.) General Programs	(b.) Admin- istrative	(c.) Fund- raising	
Salaries & Benefits	\$ 48,555	\$ 1,693	\$ -	\$ 50,247
Direct Program Expenses	4,206	-	-	4,206
Professional Fees		1,100	-	1,100
Office & Admin	5,453	1,626	-	7,079
Rent & Utilities	18,295	-	-	18,295
Telephone	2,591	648	-	3,239
Insurance	7,779	-	-	7,779
Van Expenses	1,005	-	-	1,005
Totals	\$ 87,884	\$ 5,066	\$ -	\$ 92,951

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Statement of Cash Flows for the year ended December 31, 2020

Cash Flows from Operating Activities:

Change in Net Assets:

Without Donor Restrictions	\$ 19,500	
With Donor Restrictions	<u>-</u>	
Total Change in Net Assets		\$ 19,500

Adjustments to Reconcile Net Income From Operating Activities to Net Cash Provided by Operating Activities

Change in Contributions Receivables	(800)	
Change in Prepaid Exps. & Security Deps.	(443)	
Change in Current Liabilities	<u>(521)</u>	
Total Adjustments		<u>(1,764)</u>
Net Cash Provided (Used) by Operating Activities		\$ 17,735

Cash Provided (Used) by Investing Activities -

Cash Provided (Used) by Financing Activities -

Net Increase in Cash	\$ 17,735
Cash, beginning of year	<u>27,073</u>
Cash, end of year	<u><u>\$ 44,808</u></u>

Other Required Data:

Interest Paid	\$	-
Income Taxes Paid	\$	-

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Notes to Financial Statements 31st December 2020

Note I - Summary of Significant Accounting Policies.

Business Activity. Family Promise of Delaware County - Delaware County Interfaith Hospitality Network (formerly the Delaware County Interfaith Hospitality Network), hereinafter "FPDC") administers a program for homeless families providing food, temporary housing, and other assistance. FPDC operates within Delaware County, Pennsylvania, coordinating various host congregations (of various denominations) and volunteers therefrom minister to families in need.

Accounting Principles & Presentation. In all material respects, these statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).

Property & Equipment. It is FPDC's policy to capitalize equipment costing not less than \$500; lesser amounts are expensed. Purchased property is capitalized at cost and depreciated using the straight-line method.

Net Assets. FPDC's Net Assets are categorized into the following two categories:

(i.) Net assets without donor restrictions consist of all net assets which are expendable at the discretion of FPDC's management and board of directors for carrying on daily operations. These funds have neither been restricted by donors nor set aside for any specific purpose.

(ii.) Net assets with donor restrictions consist of net assets that have been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by the actions of FPDC pursuant to those stipulations. When a donor restriction expires (i.e., 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 statements of activities as net assets released from restrictions. FPDC's reports donor-restricted contributions whose restrictions are met within the reporting period recognized as Net Assets Without Donor Restrictions.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reporting amounts and disclosures. Accordingly, actual results could differ from these estimates.

Income Taxes. FPDC was organized as a Pennsylvania not-for-profit corporation on 17th July 2001, and is exempt from income taxes under IRC Section 501(a) as an organization described in Section 501(c)(3), said status ruled permanent by the Internal Revenue Service on 22nd June 2006. Accordingly, contributions to FPDC qualify as deductible charitable contributions as provided in IRC Section 170(b)(1)(a)(vi). Further, no provision has been made for income taxes with respect to this period, nor any prior period.

The organization believes it has appropriate support for any & all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. None of the organization's federal

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income tax returns (Form 990 series) are currently under examination. However, tax years 2017-2019 remain subject to examination by the Internal Revenue Service.

Other Filings. Since FPDC solicits funds in Pennsylvania, it has registered with the Bureau of Charitable Organizations and files an annual registration and report therewith.

Donated Services & Materials. FPDC receives donated services from a variety of unpaid volunteers assisting it in its mission. No amounts have been recognized in the accompanying statement of activities.

Note II - Cash. Cash consists of funds on deposit at a local commercial bank. The accounts are insured by the FDIC up to an aggregate of \$250,000. At no time did cash balances on deposit with the financial institution exceed the insured limits during the year ended.

Note III - Contributions Receivable. Contributions receivable represents amounts of unconditional promises to give as of December 31st. The amounts presented in these financial statements have in fact been collected as of the date of these financial statements; accordingly, no allowance for uncollectable receivables has been recognized.

Note IV - Fixed Assets. Fixed assets consist of a used 2010 Ford F-350 Econoline passenger van, obtained during 2011 for the purpose of shuttling the families to and from temporary housing sites, school or bus stops for students, and workplaces for working adults.

	Beginning of Year	Additions	Deletions	End of Year
Fixed Assets	\$ 23,838	\$ -	\$ -	\$ 23,838
Accumulated Depr'n	23,838		-	23,838
Fixed Assets Net of Accumulated Depr'n	\$ -	\$ -	\$ -	\$ -

Note V - PPP & EIDL. FPDC received a loan from TD Bank in the amount of \$11,402 under the Paycheck Protection Program ("PPP") established by the Coronavirus Aid, Relief, & Economic Security (CARES) Act on 7th May 2020. The loan bears interest at a rate of 1% and is payable in monthly installments of principal and interest over 24 months beginning 6 months from the date of the loan. The loan may be repaid at any time with no prepayment penalty. This loan may be forgiven to the extent proceeds of the loan are used for eligible expenditures as described in the CARES Act (e.g., payroll, employee benefits, and rent). As of the date of these financial statements, no official

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determination has been made as to whether the FPDC will be eligible for forgiveness, in whole or in part. However, management has determined that it has fulfilled the requirements for 100% forgiveness as stipulated in the CARES Act and has recorded the transactions related to the PPP in these financial statements accordingly.

FPDC applied for an Economic Injury Disaster Loan ("EIDL") from TD Bank in the amount of \$49,000 under the Coronavirus Aid, Relief, & Economic Security (CARES) Act. This loan was declined 25th July 2020. Meanwhile, on 28th April 2020, FPDC received an advance of \$4,000 toward any EIDL funds for which it might be approved. This \$4,000 does not need to be repaid, and therefore these financial statements reflect same as unrestricted grant revenue.

Note VI - Grants Received. FPDC received a grant from Delaware County in order to provide shelter for homeless families. FPDC also received a donation from The Community Foundation for shelter necessities. Since these funds were both received and completely spent during 2020, they are not recorded as Contributions with Donor Restrictions.

FPDC received a \$4,500 grant from the Swarthmore Presbyterian Church "to be used to support operating costs or development of a rental assistance program". While it is the goal and intent of the FPDC to establish a rental assistance program, because of the flexibility of the grant terms, these funds have been recorded as Contributions Without Donor Restrictions. As of 31st December 2020, no client family had met the target savings amount for eligibility; the entire amount (\$4,500) is reflected in these financial statements as Board Designated Funds within the category of Net Assets Without Donor Restrictions.

Note VII - Functional Expenses. FPDC utilizes the following cost allocation plan to allocate its expenses:

- a.) Salaries expense (and related payroll taxes, etc.) of the executive director is allocated 90% to programs and 10% to administrative expenses to reflect the estimated time spent on each activity.
- b.) All other salary expenses (and related payroll taxes, etc.) are allocated to programs expense.
- c.) All other expenses are charged directly to either program expense, administrative expenses, or fund raising expenses depending on the nature of the transaction.

Management believes that these allocation methodologies and results reasonably reflect the classification of its expenses.

Note VIII - Liquidity. Financial assets available for general expenditure within one year of the balance sheet date are \$45,808. The FPDC targets maintaining cash balances to meet 60-days of ordinary business expenses, which are on average \$15,200. The FPDC has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

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Notes to Financial Statements 31st December 2020

Note IX - Lease Arrangements. FPDC entered into a one year lease for the former convent premises of Our Lady of Charity Parish, Brookhaven, Pennsylvania principally for office space and storage. This lease covered the period 1st March 2016 through 28th February 2017. This lease provides for rent payments of \$1,000 per month. Beginning 1st March 2017, the lease has continued on a month to month basis.

Note X - COVID. In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic resulting in federal, state, and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay at home orders and advisories and quarantining of people who may have been exposed to the virus. At this point, we cannot reasonably estimate the duration and severity of this pandemic, which could have a material adverse impact on our business, results of operations, financial position and cash flows. However, as of the date of these financial statements the financial impact is not expected to be significant.

Note XI - Subsequent Events. FPDC has evaluated all events through 2nd March 2021, which is the date these financial statements were available to be issued and has determined that there are no subsequent events that require recognition or disclosure.