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FINANCIAL STATEMENTS  
*December 31, 2019*

FAMILY PROMISE OF IRVING

FINANCIAL STATEMENTS  
Year ended December 31, 2019

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
Family Promise of Irving  
Irving, Texas

We have audited the accompanying financial statements of Family Promise of Irving (a non-profit corporation), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, cash flows and functional expenses for the years 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 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.

**Auditor's Responsibility**

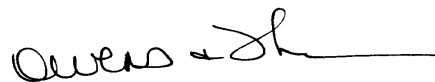
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's 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 Family Promise of Irving as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



OWENS & THURMAN, P.C.  
Certified Public Accountants  
Dallas, Texas

November 4, 2020

FAMILY PROMISE OF IRVING  
 STATEMENTS OF FINANCIAL POSITION  
 December 31, 2019 and 2018

	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 201,253	\$ 244,683
Contributions receivable	375	960
Prepaid expenses	14,431	2,095
Total Current Assets	216,059	247,738
 <b>PROPERTY AND EQUIPMENT</b>		
Furniture and equipment	12,813	8,277
Land, building and improvements	205,973	205,973
Total Property and Equipment	218,786	214,250
Less accumulated depreciation	(40,662)	(33,190)
Property and Equipment, net	178,124	181,060
 <b>TOTAL ASSETS</b>	 \$ 394,183	 \$ 428,798
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 4,628	\$ 1,376
Deferred revenue	-	1,120
Total Current Liabilities	4,628	2,496
Total Liabilities	4,628	2,496
 <b>NET ASSETS</b>		
Net assets without donor restrictions	294,181	326,302
Net assets with donor restrictions	95,374	100,000
Total Net Assets	389,555	426,302
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 \$ 394,183	 \$ 428,798

The accompanying notes are an integral part of this statement.

FAMILY PROMISE OF IRVING

STATEMENTS OF ACTIVITIES

for the years ended December 31, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	TOTAL 2019	Without Donor Restrictions	With Donor Restrictions	TOTAL 2018
<b>SUPPORT AND REVENUE</b>						
Special events income	\$ 39,654	\$ -	\$ 39,654	\$ 65,933	\$ -	\$ 65,933
Less special events direct costs	(15,834)	-	(15,834)	(20,733)	-	(20,733)
Net support from special events	<u>23,820</u>	<u>-</u>	<u>23,820</u>	<u>45,200</u>	<u>-</u>	<u>45,200</u>
Contributions and grants	113,974	-	113,974	80,784	100,000	180,784
Satisfaction of donor restrictions	<u>4,626</u>	<u>(4,626)</u>	<u>-</u>	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>
Total Support and Revenue	<u>142,420</u>	<u>(4,626)</u>	<u>137,794</u>	<u>135,984</u>	<u>90,000</u>	<u>225,984</u>
<b>EXPENSES</b>						
Program services	156,794	-	156,794	136,176	-	136,176
Supporting services						
Management and general	17,391	-	17,391	14,578	-	14,578
Fund raising	<u>356</u>	<u>-</u>	<u>356</u>	<u>680</u>	<u>-</u>	<u>680</u>
Total Expenses	<u>174,541</u>	<u>-</u>	<u>174,541</u>	<u>151,434</u>	<u>-</u>	<u>151,434</u>
<b>CHANGE IN NET ASSETS</b>	(32,121)	(4,626)	(36,747)	(15,450)	90,000	74,550
<b>NET ASSETS</b>						
Beginning of year	<u>326,302</u>	<u>100,000</u>	<u>426,302</u>	<u>341,752</u>	<u>10,000</u>	<u>351,752</u>
End of year	<u>\$ 294,181</u>	<u>\$ 95,374</u>	<u>\$ 389,555</u>	<u>\$ 326,302</u>	<u>\$ 100,000</u>	<u>\$ 426,302</u>

The accompanying notes are an integral part of this statement.

FAMILY PROMISE OF IRVING  
STATEMENTS OF CASH FLOWS  
for the years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>\$ (36,747)</u>	<u>\$ 74,550</u>
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	7,472	7,622
Decrease (Increase) in Operating Assets:		
Contributions receivable	585	18,290
Prepaid expenses	(12,336)	5
Increase (Decrease) in Operating Liabilities:		
Accounts payable and accrued expenses	3,252	(2,238)
Deferred revenue	<u>(1,120)</u>	<u>(880)</u>
Total Adjustments	<u>(2,147)</u>	<u>22,799</u>
Net Cash Provided By (Used in) Operating Activities	<u>(38,894)</u>	<u>97,349</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	<u>(4,536)</u>	<u>          </u>
Net Cash Provided By (Used In) Investing Activities	<u>(4,536)</u>	<u>          </u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Cash Provided By (Used In) Financing Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) In Cash And Cash Equivalents	(43,430)	97,349
Cash and Cash Equivalents, Beginning of Year	<u>244,683</u>	<u>147,334</u>
Cash and Cash Equivalents, End of Year	<u>\$ 201,253</u>	<u>\$ 244,683</u>

The accompanying notes are an integral part of this statement.

FAMILY PROMISE OF IRVING

STATEMENT OF FUNCTIONAL EXPENSES

for the year ended December 31, 2019

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>TOTAL 2019</u>
Salaries and wages	\$ 79,100	\$ -	\$ -	\$ 79,100
Payroll taxes	6,013	-	-	6,013
Employee benefits	<u>9,700</u>	<u>-</u>	<u>-</u>	<u>9,700</u>
Total compensation	<u>94,813</u>	<u>-</u>	<u>-</u>	<u>94,813</u>
Outside/contractual services	-	4,271	356	4,627
Office expense	-	3,451	-	3,451
Information technology	5,841	551	-	6,392
Occupancy	11,053	-	-	11,053
Local transportation	2,970	-	-	2,970
Meetings and conference	4,145	-	-	4,145
Insurance	-	6,091	-	6,091
Specific assistance to individuals	27,668	-	-	27,668
Payments to affiliate	1,750	-	-	1,750
Other	<u>1,082</u>	<u>3,027</u>	<u>-</u>	<u>4,109</u>
Total expenses before depreciation	<u>149,322</u>	<u>17,391</u>	<u>356</u>	<u>167,069</u>
Depreciation	<u>7,472</u>	<u>-</u>	<u>-</u>	<u>7,472</u>
Total Expenses	<u>\$ 156,794</u>	<u>\$ 17,391</u>	<u>\$ 356</u>	<u>\$ 174,541</u>

The accompanying notes are an integral part of this statement.

FAMILY PROMISE OF IRVING

STATEMENT OF FUNCTIONAL EXPENSES

for the year ended December 31, 2018

	Program Services	Management and General	Fund Raising	TOTAL 2018
Salaries and wages	\$ 67,701	\$ -	\$ -	\$ 67,701
Payroll taxes	5,179	-	-	5,179
Employee benefits	10,419	-	-	10,419
	<hr/>	<hr/>	<hr/>	<hr/>
Total compensation	83,299	-	-	83,299
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Outside/contractual services	-	3,521	350	3,871
Office expense	-	3,249	-	3,249
Information technology	5,543	448	330	6,321
Occupancy	15,841	-	-	15,841
Local transportation	3,078	-	-	3,078
Meetings and conference	2,090	-	-	2,090
Insurance	-	5,611	-	5,611
Specific assistance to individuals	15,539	-	-	15,539
Payments to affiliate	2,283	-	-	2,283
Other	881	1,749	-	2,630
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Total expenses before depreciation	128,554	14,578	680	143,812
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation	7,622	-	-	7,622
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 136,176</u>	<u>\$ 14,578</u>	<u>\$ 680</u>	<u>\$ 151,434</u>

The accompanying notes are an integral part of this statement.



FAMILY PROMISE OF IRVING

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Family Promise of Irving, a nonprofit organization incorporated in the state of Texas in July 2010, is a faith-based ministry that supports families who are experiencing homelessness as they search for new jobs, undergo job training, and obtain permanent housing.

Family Promise of Irving is affiliated with the nationwide Family Promise, Inc., a New Jersey non-profit, non-denominational, volunteer-based organization that mobilizes communities to help homeless and low-income families achieve sustainable independence through the creation of local network programs.

Program services consist of activities to provide a safe environment in which families can stay together and to give the assistance they need to become self-sufficient.

Family Promise of Irving's primary source of support is contributions and grants.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the *FASB Accounting Standards Codification™* and the Hierarchy of Generally Accepted Accounting Principles.

Estimates

Preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Support and Revenue

Contributions received are recorded as support with or without donor restrictions depending on the existence and/or nature of any donor restrictions. All contributions, including long-lived assets, are considered to be available for unrestricted use unless specifically restricted by the donor.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction is satisfied by incurring expenses for the restricted purpose, expiration of time, or occurrence of other events specified by the donor, net assets with donor restrictions are reclassified to net assets without donor restrictions.

FAMILY PROMISE OF IRVING

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents includes all checking and saving accounts, and highly liquid money market mutual funds that are available for general operating purposes and not otherwise restricted.

Contributions Receivable

Contributions receivable consists of amounts sent or mailed prior to year end but received after year end, the remaining balance due from donors for events held through December 31, 2019, and other receivables. These amounts are due within one year and no allowance for uncollectible accounts is provided.

Property and Equipment

Property and equipment additions of \$1,000 or greater are capitalized at cost if purchased, or at estimated fair value at the date of gift, if donated. Depreciation is provided using the straight-line basis over the estimated useful lives of assets as follows:

Furniture and equipment	1 - 5 years
Building and improvements	25 years

Net Assets

Family Promise of Irving is required to report information regarding its net assets and the changes therein according to two classes of net assets based on the existence or absence of donor-imposed restrictions:

- net assets without donor restrictions – net assets that are not subject to donor (or certain grantor) restrictions and may be expended for any purpose in performing the primary objectives of the organization. Family Promise of Irving’s board may designate assets without restrictions for specific operational purposes from time to time, and
- net assets with donor restrictions – net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities. None of Family Promise of Irving’s costs for the years ended December 31, 2019 and 2018 are significantly attributable to more than one program or supporting function of the organization. Accordingly, each cost category has been allocated to the programs and supporting services benefited.

FAMILY PROMISE OF IRVING  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018

Federal Income Tax

The Internal Revenue Service has determined that Family Promise of Irving is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code and is not classified as a private foundation within the meaning of Section 509(a). Accordingly, no provision has been made for federal income tax.

Donated Services

Donated services are recognized as contributions at the estimated fair market value at the time of receipt when there is an objective basis available to measure their value, and the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by persons with those skills, and would otherwise need to be purchased by the organization. A number of unpaid volunteers regularly make contributions of their time to Family Promise of Irving's programs, the value of which is not reflected in these statements as it is not susceptible to objective measurement or valuation or does not meet the recognition criteria under generally accepted accounting principles.

NOTE 3 – PAYMENTS TO AFFILIATED ORGANIZATION

The amount of affiliate fees remitted to Family Promise, Inc. for the years ended December 31, 2019 and 2018 was \$1,750 and \$2,283, respectively.

NOTE 4 – RESTRICTIONS ON NET ASSETS

Net Assets With Donor Restrictions

Net assets with donor restrictions were available for the following purpose at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
After Care program	<u>\$ 95,374</u>	<u>\$ 100,000</u>
Total net assets with donor restrictions	<u>\$ 95,374</u>	<u>\$ 100,000</u>

NOTE 5 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects Family Promise of Irving's financial assets reduced by amounts not available to meet cash needs for general expenditures within one year of the statement of financial position date because of

FAMILY PROMISE OF IRVING  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018

donor-imposed restrictions as of December 31:

	2019	2018
Financial assets at year-end (cash and cash equivalents and receivables)	\$ 201,628	\$ 245,643
Less financial assets unavailable for general expenditures within one year due to:		
Donor-restricted to After Care program	95,374	100,000
Financial assets available to meet cash needs for general expenditures within one year	\$ 106,254	\$ 145,643

NOTE 6 – SUBSEQUENT EVENTS

Subsequent events were evaluated through November 4, 2020, which is the date the financial statements were available to be issued.

Paycheck Protection Program Forgivable Loan

Subsequent to December 31, 2019 Family Promise of Irving received approximately \$14,000 loan proceeds under the Paycheck Protection Program (PPP), established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act) that provides for loans to qualifying businesses, including nonprofit organizations, for amounts up to 2.5 times of certain average monthly payroll expenses. The loan is forgivable if the borrower uses the proceeds for qualifying expenses and maintains required payroll levels. The amount of loan forgiveness may be reduced if the borrower does not meet the requirements as described in the CARES Act.

Family Promise of Irving intends to use the proceeds for qualifying expenses consistent with the CARES Act PPP Loan requirements. Management believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan. The loan proceeds, and the subsequent forgiveness of the loan will be recorded in the subsequent financial statements during the period in which the proceeds were received and the forgiveness granted, in whole or in part.