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FINANCIAL STATEMENTS
December 31, 2017

FAMILY PROMISE OF IRVING

FINANCIAL STATEMENTS
Year ended December 31, 2017

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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, 2017 and 2016, 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, 2017 and 2016, 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

August 8, 2018

FAMILY PROMISE OF IRVING

STATEMENTS OF FINANCIAL POSITION

December 31, 2017 and 2016

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 147,334	\$ 163,792
Contributions receivable	19,250	3,771
Prepaid expenses	2,100	3,776
	<u>168,684</u>	<u>171,339</u>
Total Current Assets		
PROPERTY AND EQUIPMENT		
Furniture and equipment	9,113	14,498
Land, building and improvements	205,973	205,973
	<u>215,086</u>	<u>220,471</u>
Total Property and Equipment		
Less accumulated depreciation	(26,404)	(24,521)
	<u>188,682</u>	<u>195,950</u>
Property and Equipment, net		
TOTAL ASSETS	<u>\$ 357,366</u>	<u>\$ 367,289</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 3,614	\$ 5,510
Deferred revenue	2,000	2,935
	<u>5,614</u>	<u>8,445</u>
Total Current Liabilities		
Total Liabilities	<u>5,614</u>	<u>8,445</u>
NET ASSETS		
Unrestricted net assets	341,752	358,844
Temporarily restricted net assets	10,000	-
	<u>351,752</u>	<u>358,844</u>
Total Net Assets		
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 357,366</u>	<u>\$ 367,289</u>

The accompanying notes are an integral part of this statement.

FAMILY PROMISE OF IRVING

STATEMENTS OF ACTIVITIES

for the years ended December 31, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	TOTAL 2017	Unrestricted	Temporarily Restricted	TOTAL 2016
SUPPORT AND REVENUE						
Special events income	\$ 58,050	\$ -	\$ 58,050	\$ 53,209	\$ -	\$ 53,209
Less special events direct costs	(20,951)	-	(20,951)	(20,891)	-	(20,891)
Net support from special events	<u>37,099</u>	<u>-</u>	<u>37,099</u>	<u>32,318</u>	<u>-</u>	<u>32,318</u>
Contributions and grants	87,480	10,000	97,480	177,474	2,645	180,119
Government grants	-	-	-	15,000	-	15,000
Satisfaction of donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,500</u>	<u>(11,500)</u>	<u>-</u>
Total Support and Revenue	<u>124,579</u>	<u>10,000</u>	<u>134,579</u>	<u>236,292</u>	<u>(8,855)</u>	<u>227,437</u>
EXPENSES						
Program services	125,939	-	125,939	121,673	-	121,673
Supporting services						
Management and general	15,116	-	15,116	20,204	-	20,204
Fund raising	<u>616</u>	<u>-</u>	<u>616</u>	<u>1,210</u>	<u>-</u>	<u>1,210</u>
Total Expenses	<u>141,671</u>	<u>-</u>	<u>141,671</u>	<u>143,087</u>	<u>-</u>	<u>143,087</u>
CHANGE IN NET ASSETS	(17,092)	10,000	(7,092)	93,205	(8,855)	84,350
NET ASSETS						
Beginning of year	<u>358,844</u>	<u>-</u>	<u>358,844</u>	<u>265,639</u>	<u>8,855</u>	<u>274,494</u>
End of year	<u>\$ 341,752</u>	<u>\$ 10,000</u>	<u>\$ 351,752</u>	<u>\$ 358,844</u>	<u>\$ -</u>	<u>\$ 358,844</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, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (7,092)	\$ 84,350
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	7,953	8,387
Decrease (Increase) in Operating Assets:		
Contributions receivable	(15,479)	(3,771)
Prepaid expenses	1,676	1,008
Increase (Decrease) in Operating Liabilities:		
Accounts payable and accrued expenses	(1,896)	4,192
Deferred revenue	(935)	2,935
Total Adjustments	<u>(8,681)</u>	<u>12,751</u>
Net Cash Provided By (Used in) Operating Activities	<u>(15,773)</u>	<u>97,101</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	<u>(685)</u>	<u>(11,501)</u>
Net Cash Provided By (Used In) Investing Activities	<u>(685)</u>	<u>(11,501)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of note payable	<u>-</u>	<u>(33,552)</u>
Net Cash Provided By (Used In) Financing Activities	<u>-</u>	<u>(33,552)</u>
Net Increase (Decrease) In Cash And Cash Equivalents	(16,458)	52,048
Cash and Cash Equivalents, Beginning of Year	<u>163,792</u>	<u>111,744</u>
Cash and Cash Equivalents, End of Year	<u>\$ 147,334</u>	<u>\$ 163,792</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, 2017

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>TOTAL 2017</u>
Salaries and wages	\$ 58,300	\$ -	\$ -	\$ 58,300
Payroll taxes	4,265	-	-	4,265
Employee benefits	9,749	-	-	9,749
	<hr/>	<hr/>	<hr/>	<hr/>
Total compensation	72,314	-	-	72,314
	<hr/>	<hr/>	<hr/>	<hr/>
Outside/contractual services	-	4,123	309	4,432
Office expense	-	2,223	-	2,223
Information technology	4,934	432	307	5,673
Occupancy	12,234	-	-	12,234
Local transportation	3,195	-	-	3,195
Meetings and conference	2,791	-	-	2,791
Insurance	-	5,494	-	5,494
Specific assistance to individuals	18,860	-	-	18,860
Payments to affiliate	2,228	-	-	2,228
Other	1,430	2,844	-	4,274
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses before depreciation	117,986	15,116	616	133,718
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation	7,953	-	-	7,953
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 125,939</u>	<u>\$ 15,116</u>	<u>\$ 616</u>	<u>\$ 141,671</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, 2016

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>TOTAL 2016</u>
Salaries and wages	\$ 58,559	\$ -	\$ -	\$ 58,559
Payroll taxes	4,480	-	-	4,480
Employee benefits	<u>8,394</u>	<u>-</u>	<u>-</u>	<u>8,394</u>
Total compensation	<u>71,433</u>	<u>-</u>	<u>-</u>	<u>71,433</u>
Outside/contractual services	-	7,839	368	8,207
Office expense	-	2,469	842	3,311
Information technology	4,854	3,102	-	7,956
Occupancy	13,700	-	-	13,700
Local transportation	2,982	-	-	2,982
Meetings and conference	3,135	-	-	3,135
Insurance	-	5,216	-	5,216
Specific assistance to individuals	13,069	-	-	13,069
Payments to affiliate	2,090	-	-	2,090
Other	<u>2,023</u>	<u>1,578</u>	<u>-</u>	<u>3,601</u>
Total expenses before depreciation	<u>113,286</u>	<u>20,204</u>	<u>1,210</u>	<u>134,700</u>
Depreciation	<u>8,387</u>	<u>-</u>	<u>-</u>	<u>8,387</u>
Total Expenses	<u>\$ 121,673</u>	<u>\$ 20,204</u>	<u>\$ 1,210</u>	<u>\$ 143,087</u>

The accompanying notes are an integral part of this statement.

FAMILY PROMISE OF IRVING
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

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

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities, in accordance with current recommendation of the American Institute of Certified Public Accountants for Not-for-Profit Organizations. 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.

Family Promise of Irving is required to report information regarding its financial position and activities according to three classes of net assets:

- Unrestricted net assets – which are not restricted either by donors or by law.
- Temporarily restricted net assets – which use has been limited by donor-imposed purpose or time restrictions.
- Permanently restricted net assets – which have been restricted by donor or by law to be maintained by the organization in perpetuity. Family Promise of Irving did not have any permanently restricted net assets as of December 31, 2017 and 2016.

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

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.

FAMILY PROMISE OF IRVING
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

Support and Revenue

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support 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 unrestricted net assets 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 temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction is satisfied by incurring expenses for the restricted purpose, expiration of time, or occurrence of other events specified by the donor, temporarily restricted net assets are reclassified to unrestricted net assets.

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, 2017, 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

Functional Allocation of Expenses

The costs of providing 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.

FAMILY PROMISE OF IRVING
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2017 AND 2016

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, 2017 and 2016 was \$2,228 and \$2,090, respectively.

NOTE 4 – RESTRICTIONS ON NET ASSETS

Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purpose at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
2018 Building Fund	\$ <u>10,000</u>	\$ <u> -</u>
Total temporarily restricted net assets	\$ <u>10,000</u>	\$ <u> -</u>

NOTE 5 – SUBSEQUENT EVENTS

Subsequent events were evaluated through August 8, 2018, which is the date the financial statements were available to be issued.