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FINANCIAL STATEMENTS
December 31, 2021

FAMILY PROMISE OF IRVING
FINANCIAL STATEMENTS
Year ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of Family Promise of Irving (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Family Promise of Irving and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Family Promise of Irving's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

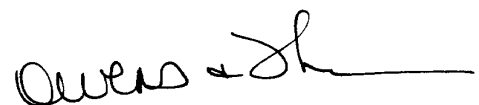
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always

detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Family Promise of Irving's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Family Promise of Irving's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



OWENS & THURMAN, P.C.
Certified Public Accountants

September 26, 2022

FAMILY PROMISE OF IRVING

STATEMENTS OF FINANCIAL POSITION

December 31, 2021 and 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 215,151	\$ 195,754
Contributions receivable	2,429	275
Prepaid expenses	2,055	338
	<u>219,635</u>	<u>196,367</u>
Total Current Assets		
PROPERTY AND EQUIPMENT		
Furniture and equipment	12,813	12,813
Land, building and improvements	205,973	205,973
	<u>218,786</u>	<u>218,786</u>
Total Property and Equipment		
Less accumulated depreciation	<u>(55,754)</u>	<u>(48,208)</u>
	<u>163,032</u>	<u>170,578</u>
Property and Equipment, net		
TOTAL ASSETS	<u><u>\$ 382,667</u></u>	<u><u>\$ 366,945</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 3,053	\$ 3,953
	<u>3,053</u>	<u>3,953</u>
Total Current Liabilities		
Total Liabilities	<u>3,053</u>	<u>3,953</u>
NET ASSETS		
Net assets without donor restrictions	<u>379,614</u>	<u>362,992</u>
	<u>379,614</u>	<u>362,992</u>
Total Net Assets		
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 382,667</u></u>	<u><u>\$ 366,945</u></u>

The accompanying notes are an integral part of this statement.

FAMILY PROMISE OF IRVING

STATEMENTS OF ACTIVITIES

for the years ended December 31, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	TOTAL 2021	Without Donor Restrictions	With Donor Restrictions	TOTAL 2020
SUPPORT AND REVENUE						
Special events income	\$ -	\$ -	\$ -	\$ 37,420	\$ -	\$ 37,420
Less special events direct costs	-	-	-	(22,184)	-	(22,184)
Net support from special events	-	-	-	15,236	-	15,236
Contributions and grants	246,274	-	246,274	169,688	-	169,688
Government grants	-	-	-	14,188	-	14,188
Satisfaction of donor restrictions	-	-	-	95,374	(95,374)	-
Total Support and Revenue	<u>246,274</u>	<u>-</u>	<u>246,274</u>	<u>294,486</u>	<u>(95,374)</u>	<u>199,112</u>
EXPENSES						
Program services	210,194	-	210,194	206,712	-	206,712
Supporting services						
Management and general	18,377	-	18,377	18,456	-	18,456
Fund raising	1,081	-	1,081	507	-	507
Total Expenses	<u>229,652</u>	<u>-</u>	<u>229,652</u>	<u>225,675</u>	<u>-</u>	<u>225,675</u>
CHANGE IN NET ASSETS	16,622	-	16,622	68,811	(95,374)	(26,563)
NET ASSETS						
Beginning of year	<u>362,992</u>	<u>-</u>	<u>362,992</u>	<u>294,181</u>	<u>95,374</u>	<u>389,555</u>
End of year	<u>\$ 379,614</u>	<u>\$ -</u>	<u>\$ 379,614</u>	<u>\$ 362,992</u>	<u>\$ -</u>	<u>\$ 362,992</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>\$ 16,622</u>	<u>\$ (26,563)</u>
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	7,546	7,546
Decrease (Increase) in Operating Assets:		
Contributions receivable	(2,154)	100
Prepaid expenses	(1,717)	14,093
Increase (Decrease) in Operating Liabilities:		
Accounts payable and accrued expenses	<u>(900)</u>	<u>(675)</u>
Total Adjustments	<u>2,775</u>	<u>21,064</u>
Net Cash Provided By (Used in) Operating Activities	<u>19,397</u>	<u>(5,499)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash Provided By (Used In) Investing Activities	<u>-</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	19,397	(5,499)
Cash and Cash Equivalents, Beginning of Year	<u>195,754</u>	<u>201,253</u>
Cash and Cash Equivalents, End of Year	<u>\$ 215,151</u>	<u>\$ 195,754</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, 2021

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>TOTAL 2021</u>
Salaries and wages	\$ 103,584	\$ -	\$ -	\$ 103,584
Payroll taxes	8,870	-	-	8,870
Employee benefits	<u>3,120</u>	<u>-</u>	<u>-</u>	<u>3,120</u>
Total compensation	<u>115,574</u>	<u>-</u>	<u>-</u>	<u>115,574</u>
Outside/contractual services	-	4,042	421	4,463
Office expense	-	2,493	-	2,493
Information technology	5,714	1,707	-	7,421
Occupancy	23,753	-	-	23,753
Local transportation	964	-	-	964
Meetings and conference	860	-	-	860
Insurance	-	7,938	-	7,938
Specific assistance to individuals	53,183	-	-	53,183
Payments to affiliate	2,250	-	-	2,250
Other	<u>350</u>	<u>2,197</u>	<u>660</u>	<u>3,207</u>
Total expenses before depreciation	<u>202,648</u>	<u>18,377</u>	<u>1,081</u>	<u>222,106</u>
Depreciation	<u>7,546</u>	<u>-</u>	<u>-</u>	<u>7,546</u>
Total Expenses	<u>\$ 210,194</u>	<u>\$ 18,377</u>	<u>\$ 1,081</u>	<u>\$ 229,652</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, 2020

	Program <u>Services</u>	Management and <u>General</u>	Fund <u>Raising</u>	TOTAL <u>2020</u>
Salaries and wages	\$ 87,670	\$ -	\$ -	\$ 87,670
Payroll taxes	6,707	-	-	6,707
Employee benefits	3,120	-	-	3,120
	<hr/>	<hr/>	<hr/>	<hr/>
Total compensation	97,497	-	-	97,497
	<hr/>	<hr/>	<hr/>	<hr/>
Outside/contractual services	-	3,321	507	3,828
Office expense	-	3,671	-	3,671
Information technology	5,502	1,072	-	6,574
Occupancy	9,669	-	-	9,669
Local transportation	1,634	-	-	1,634
Meetings and conference	3,483	-	-	3,483
Insurance	-	8,175	-	8,175
Specific assistance to individuals	78,841	-	-	78,841
Payments to affiliate	2,250	-	-	2,250
Other	290	2,217	-	2,507
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses before depreciation	199,166	18,456	507	218,129
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation	7,546	-	-	7,546
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 206,712</u>	<u>\$ 18,456</u>	<u>\$ 507</u>	<u>\$ 225,675</u>

The accompanying notes are an integral part of this statement.

FAMILY PROMISE OF IRVING

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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, 2021 AND 2020

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 year-end, 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, 2021 and 2020 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

FAMILY PROMISE OF IRVING
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

benefited.

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. was \$2,250 for each of the years ended December 31, 2021 and 2020.

NOTE 4 – 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 donor-imposed restrictions as of December 31:

	<u>2021</u>	<u>2020</u>
Financial assets at year-end (cash and cash equivalents and receivables)	\$ 217,580	\$ 196,029
Less financial assets unavailable for general expenditures within one year due to:		
Donor-restricted net assets	_____ -	_____ -
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 217,580</u>	<u>\$ 196,029</u>

FAMILY PROMISE OF IRVING

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 5 - PAYCHECK PROTECTION PROGRAM FORGIVABLE LOAN

During the year ended December 31, 2020, Family Promise of Irving received 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 certain average monthly payroll expenses, 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.

Subsequent to the May 2020 receipt of the PPP loan Family Promise of Irving expended the proceeds for qualifying expenses consistent with the CARES Act PPP Loan requirements and received notice of full forgiveness of the loan from the Small Business Administration. Accordingly, the \$14,188 PPP loan proceeds was recognized as grant income during the year ended December 31, 2020, during which the conditions for forgiveness were substantially met by qualifying PPP expenses and forgiveness granted.

NOTE 6 – SUBSEQUENT EVENTS

Subsequent events were evaluated through September 26, 2022, which is the date the financial statements were available to be issued.