

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

FINANCIAL STATEMENTS

December 31, 2019 and 2018



ZIELINSKI & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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ZIELINSKI & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountant's Review Report

Board of Directors
Immigrant & Refugee Women's Program
St. Louis, Missouri

We have reviewed the accompanying financial statements of the Immigrant & Refugee Women's Program (a nonprofit organization), which comprise the Statements of Financial Position as of December 31, 2019 and 2018, and the related Statements of Activities, Functional Expenses, and Cash Flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Zielinski & Associates

April 30, 2020

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

STATEMENTS OF FINANCIAL POSITION
(See Independent Accountant's Review Report)

December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Cash	\$ 111,801	\$ 63,763
Investments (Note C)	<u>90,126</u>	<u>179,631</u>
TOTAL ASSETS	<u>\$ 201,927</u>	<u>\$ 243,394</u>
Liabilities and Net Assets		
Liabilities		
Accrued payroll	<u>\$ 803</u>	<u>\$ 2,076</u>
TOTAL LIABILITIES	<u>803</u>	<u>2,076</u>
Net assets		
Without donor restrictions	176,981	222,418
With donor restrictions (Note D)	<u>24,143</u>	<u>18,900</u>
TOTAL NET ASSETS	<u>201,124</u>	<u>241,318</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 201,927</u>	<u>\$ 243,394</u>

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

STATEMENTS OF ACTIVITIES
(See Independent Accountant's Review Report)

For the years ended December 31, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support						
Grant revenue	\$ 11,500	\$ 100,000	\$ 111,500	\$ 35,000	\$ 123,950	\$ 158,950
Individual contributions	49,966	30,243	80,209	58,346	-	58,346
Special events	50,605	-	50,605	35,642	-	35,642
Investment income	4,251	-	4,251	(127)	-	(127)
Realized loss on investments	-	-	-0-	(14,032)	-	(14,032)
Other—fundraising	5,001	-	5,001	31,563	-	31,563
Net assets released from restrictions	<u>125,000</u>	<u>(125,000)</u>	<u>-0-</u>	<u>139,010</u>	<u>(139,010)</u>	<u>-0-</u>
TOTAL SUPPORT	<u>246,323</u>	<u>5,243</u>	<u>251,566</u>	<u>285,402</u>	<u>(15,060)</u>	<u>270,342</u>
In-kind Support						
Donated services	319,848	-	319,848	315,700	-	315,700
Donated travel	<u>48,276</u>	<u>-</u>	<u>48,276</u>	<u>57,057</u>	<u>-</u>	<u>57,057</u>
TOTAL IN-KIND SUPPORT	<u>368,124</u>	<u>-</u>	<u>368,124</u>	<u>372,757</u>	<u>-</u>	<u>372,757</u>
TOTAL SUPPORT AND IN-KIND SUPPORT	<u>614,447</u>	<u>5,243</u>	<u>619,690</u>	<u>658,159</u>	<u>(15,060)</u>	<u>643,099</u>
Expenses						
Program services	598,494	-	598,494	579,343	-	579,343
Management and general	38,107	-	38,107	22,755	-	22,755
Fundraising	<u>23,283</u>	<u>-</u>	<u>23,283</u>	<u>12,970</u>	<u>-</u>	<u>12,970</u>
TOTAL EXPENSES	<u>659,884</u>	<u>-</u>	<u>659,884</u>	<u>615,068</u>	<u>-</u>	<u>615,068</u>
CHANGES IN NET ASSETS	(45,437)	5,243	(40,194)	43,091	(15,060)	28,031
Net Assets, Beginning of Year	<u>222,418</u>	<u>18,900</u>	<u>241,318</u>	<u>179,327</u>	<u>33,960</u>	<u>213,287</u>
NET ASSETS, END OF YEAR	<u>\$ 176,981</u>	<u>\$ 24,143</u>	<u>\$ 201,124</u>	<u>\$ 222,418</u>	<u>\$ 18,900</u>	<u>\$ 241,318</u>

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

STATEMENTS OF FUNCTIONAL EXPENSES
(See Independent Accountant's Review Report)

For the years ended December 31, 2019 and 2018

	2019				2018			
	Total Program Services	Management and General	Fundraising	Total	Total Program Services	Management and General	Fundraising	Total
Operating Expenses								
Salaries and wages	\$ 157,700	\$ 16,596	\$ 5,842	\$ 180,138	\$ 135,677	\$ 12,688	\$ 4,229	\$ 152,594
Payroll taxes and employee benefits	13,332	1,318	421	15,071	15,695	1,914	606	18,215
Rent	4,685	2,742	-	7,427	7,673	853	-	8,526
Telephone and internet	2,259	213	-	2,472	2,731	303	-	3,034
Travel	12,184	-	-	12,184	12,138	167	329	12,634
Equipment and software	3,621	-	5,226	8,847	4,951	-	-	4,951
Supplies	1,698	585	-	2,283	3,457	125	-	3,582
Educational materials	15,185	-	-	15,185	17,005	-	-	17,005
Professional development and meetings	999	715	-	1,714	1,965	90	-	2,055
Postage	1,130	-	204	1,334	521	-	386	907
Printing	1,339	58	-	1,397	1,645	-	224	1,869
Dues and subscriptions	219	505	-	724	-	569	-	569
Professional services	10,179	8,417	-	18,596	3,103	3,103	-	6,206
Special events expense	3,368	-	10,157	13,525	-	400	7,042	7,442
Volunteer events	1,838	-	-	1,838	-	-	-	-0-
Insurance	-	2,197	-	2,197	-	2,102	-	2,102
Other	634	4,761	1,433	6,828	25	441	154	620
TOTAL OPERATING EXPENSES	<u>230,370</u>	<u>38,107</u>	<u>23,283</u>	<u>291,760</u>	<u>206,586</u>	<u>22,755</u>	<u>12,970</u>	<u>242,311</u>
In-kind services	319,848	-	-	319,848	315,700	-	-	315,700
In-kind travel	48,276	-	-	48,276	57,057	-	-	57,057
TOTAL EXPENSES	<u>\$ 598,494</u>	<u>\$ 38,107</u>	<u>\$ 23,283</u>	<u>\$ 659,884</u>	<u>\$ 579,343</u>	<u>\$ 22,755</u>	<u>\$ 12,970</u>	<u>\$ 615,068</u>

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

STATEMENTS OF CASH FLOWS
(See Independent Accountant's Review Report)

For the years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities		
Changes in net assets	\$ (40,194)	\$ 28,031
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:		
Realized loss on investments	-	14,032
Changes in assets and liabilities:		
Accrued payroll	(1,273)	(2,072)
Deferred revenue	<u>-</u>	<u>(7,500)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(41,467)</u>	<u>32,491</u>
Cash Flows from Investing Activities		
Investment activity—net	<u>89,505</u>	<u>22,234</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>89,505</u>	<u>22,234</u>
NET INCREASE IN CASH	48,038	54,725
Cash, Beginning of Year	<u>63,763</u>	<u>9,038</u>
CASH, END OF YEAR	<u>\$ 111,801</u>	<u>\$ 63,763</u>

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE A—NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operation

The Immigrant & Refugee Women's Program (the Program) is engaged in educating isolated immigrant and refugee women by teaching them basic English and practical living skills in the security of their own homes.

The Immigrant & Refugee Women's Program is a not-for-profit, tax-exempt corporation organized under the laws of the state of Missouri. It is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The significant accounting policies of the Program include the following:

Basis of Accounting

The financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

In order to ensure observance of limitations and restrictions on the use of resources available to the Program, net assets are classified and reported as follows:

Net assets without donor restrictions—net assets that are not subject to donor-imposed stipulations and are available for use in general operations.

Net assets with donor restrictions—net assets subject to donor-imposed stipulations that may or will be met either by actions of the Immigrant & Refugee Women's Program and/or the passage of time.

Cash

The Immigrant & Refugee Women's Program considers cash on hand and deposits in banks, all of which have virtually no risk of loss of value of the principal amount of investment, as cash. At times, cash may be in excess of the FDIC insurance limit.

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Statements of Financial Position. Net investment return/(loss) is reported in the Statements of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

NOTES TO FINANCIAL STATEMENTS *(Continued)*

December 31, 2019 and 2018

NOTE A—NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

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

Subsequent Events

In preparing these financial statements, the Program has evaluated events and transactions for potential recognition or disclosure through April 30, 2020, the date the financial statements were available to be issued.

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closing of businesses and has drastically affected the financial markets. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and the continued effect on the markets. Therefore, the Program expects this matter to negatively impact its contribution and investment income. The related financial impact and duration cannot be reasonably estimated at this time.

Revenue Recognition

The Immigrant & Refugee Women's Program reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, 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.

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2019 and 2018

NOTE A—NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Conditional grants are recorded as deferred revenue when received. Revenue is recognized in the period the conditions are met.

In-kind Support

Donated Services

Volunteers provide assistance to the Program throughout the year. The Program assigns values to such services based on rates commensurate with the type of volunteer services performed. These services are reflected in the accompanying financial statements as both revenue and expense.

Donated Travel

Volunteers provide use of their personal vehicles to the Program throughout the year. The Program assigns value to the miles driven based on standard IRS rates. These miles are reflected in the accompanying financial statements as both revenue and expense.

NOTE B—LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash	\$ 111,801
Investments in CDs	<u>90,126</u>
	201,927
Less: Net assets with donor restrictions	<u>(24,143)</u>
	<u>\$ 177,784</u>

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2019 and 2018

NOTE C—INVESTMENTS

The Program adopted FASB Accounting Standards Codification (ASC) Topic 820. Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

We invest in CDs traded in the financial markets. Those CDs are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions, and are classified within Level 2.

The following tables present the fair value measurements of investments recognized in the accompanying Statements of Financial Position measured at fair value on a recurring basis and the level within the ASC 820 fair value hierarchy in which the fair value measurements fall at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Commerce Bank—CDs (Level 2)	\$ 90,126	\$ 179,631

Investment return for the years ended December 31, 2019 and 2018 consisted of:

	<u>2019</u>	<u>2018</u>
Investment income		
Interest	\$ 3,773	\$ 242
Valuation adjustment	478	(369)
Realized loss	-	(14,032)
	<u>\$ 4,251</u>	<u>\$ (14,159)</u>

IMMIGRANT & REFUGEE WOMEN'S PROGRAM

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2019 and 2018

NOTE D—NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31 consisted of the following:

	<u>2019</u>	<u>2018</u>
Contract services	\$ 2,646	\$ 100
Equipment	5,547	-
General operating costs	5,000	1,500
Phone/internet	1,900	800
Professional development	1,000	-
Program printing	-	1,050
Program supplies	3,917	3,650
Rent	-	300
Salaries	3,300	8,600
Travel	<u>833</u>	<u>2,900</u>
	<u>\$ 24,143</u>	<u>\$ 18,900</u>