

**WOMEN'S RESOURCES OF  
MONROE COUNTY, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2022 AND 2021**

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**

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**JUNE 30, 2022**

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# KIRK, SUMMA & Co., LLP

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

### **BOARD OF DIRECTORS WOMEN'S RESOURCES OF MONROE COUNTY INC. DELAWARE WATER GAP, PENNSYLVANIA**

We have reviewed the accompanying financial statements of Women's Resources of Monroe County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows 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.

We are required to be independent of Women's Resources of Monroe County, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### **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 review, 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.

*Kirk, Summa & Co. LLP*

November 23, 2022  
East Stroudsburg, Pennsylvania

**WOMEN'S RESOURCES OF MONROE COUNTY INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2022 AND 2021**

**ASSETS**

	<u>2022</u>	<u>2021</u>
Cash - unrestricted	\$ 447,711	\$ 569,736
Cash - board designated	48,437	18,012
Cash - restricted	6,065	938
Total Cash	<u>502,213</u>	<u>588,686</u>
Investments	311,318	265,591
Grants and contracts receivable	187,273	199,753
Prepaid expenses	20,751	16,404
Property and equipment, net	<u>2,018,460</u>	<u>2,106,129</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,040,015</u></b>	<b><u>\$ 3,176,563</u></b>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable	\$ 36,349	\$ 17,055
Payroll taxes payable	2,734	1,336
Accrued payroll	34,380	34,754
Deferred revenue	-	15,250
PPP Loan	-	24,754
<b>TOTAL LIABILITIES</b>	<b><u>73,463</u></b>	<b><u>93,149</u></b>

**NET ASSETS**

Without Donor Restrictions:		
Undesignated	2,911,637	3,061,126
Designated by the Board	48,437	18,012
With Donor Restrictions	6,478	4,276
<b>Total Net Assets</b>	<b><u>2,966,552</u></b>	<b><u>3,083,414</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 3,040,015</u></b>	<b><u>\$ 3,176,563</u></b>

See accountants' review report.  
The accompanying notes are an integral part of these financial statements.

**WOMEN'S RESOURCES OF MONROE COUNTY INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:</b>		
<b>Revenues, Gains and Support:</b>		
<i>Program Revenue:</i>		
Pennsylvania Coalition Against Domestic Violence (PCADV)	\$ 510,802	\$ 470,854
Victims of Crime Act (VOCA)	402,201	561,172
Pennsylvania Coalition Against Rape (PCAR)	96,413	91,716
Department of Community and Economic Development (DCED)	15,000	69,688
<i>Other Government Funds and Allocations:</i>		
PPP Loan Forgiveness Income	-	171,646
Other government allocations	113,313	130,107
<i>Fundraising and Support:</i>		
Contributions	59,770	42,705
Foundation and corporate support	296,496	8,250
United Way and donor designated funds	30,000	28,540
Fundraising	167,338	71,454
In-kind contributions	70,877	60,803
Investment income	(38,972)	18,070
Other income	1,657	4,832
<b>Total Revenues, Gains and Support Without Donor Restrictions</b>	<u>1,724,896</u>	<u>1,729,838</u>
<b>Net assets released from restrictions:</b>		
Satisfaction of program purpose restrictions	14,202	69,363
<b>Total net assets released from restrictions</b>	<u>14,202</u>	<u>69,363</u>
<b>Total revenues, gains, and other support without donor restrictions</b>	<u>1,739,098</u>	<u>1,799,201</u>
<b>Expenses and losses</b>		
<i>Program services:</i>		
Counseling	836,317	949,842
Prevention and education	95,925	94,516
Shelter	406,272	316,323
Other assistance	50,680	55,221
Management and general	315,529	238,184
Fundraising	153,439	111,078
<b>Total Expenses</b>	<u>1,858,162</u>	<u>1,765,164</u>
<b>INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<u>(119,064)</u>	<u>34,037</u>
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions received and income earned	16,404	63,804
Net assets released from restrictions	(14,202)	(69,363)
<b>INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS</b>	<u>2,202</u>	<u>(5,559)</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>(116,862)</u>	<u>28,478</u>
<b>NET ASSETS - at Beginning of Year</b>	<u>3,083,414</u>	<u>3,054,936</u>
<b>NET ASSETS - at End of Year</b>	<u>\$ 2,966,552</u>	<u>\$ 3,083,414</u>

See accountants' review report.

The accompanying notes are an integral part of these financial statements.

	2022			2021		
	Program Services	General and Administrative		Program Services	General and Administrative	
		Fundraising	Totals		Fundraising	Totals
<b>Compensation and related expenses:</b>						
Salaries and wages	\$ 659,072	\$ 120,800	\$ 51,210	\$ 831,082	\$ 731,419	\$ 37,085
Payroll taxes	49,921	14,243	2,254	66,418	56,554	2,837
Employee benefits	85,674	105,342	-	191,016	81,653	-
<b>TOTAL COMPENSATION AND RELATED EXPENSES</b>						
	794,667	240,385	53,464	1,088,516	869,626	39,922
						1,085,521
<b>Other expenses:</b>						
Administrative fees	-	11,587	-	11,587	-	11,352
Advertising	655	-	-	655	8,457	-
Depreciation	88,392	10,210	1,107	99,709	88,939	10,273
Direct client assistance	277,298	-	-	277,298	238,360	-
Equipment rental and maintenance	17,202	2,581	5,419	25,201	11,276	2,032
Fundraising	-	-	53,662	53,662	-	-
In-kind goods and services	54,561	-	16,316	70,877	16,319	4,892
Interest expense	-	308	-	308	-	-
Investment fees	-	3,798	-	3,798	-	1,357
Membership and meetings	-	780	-	780	95	9
Occupancy	25,329	27,917	598	53,844	43,165	19,660
Occupancy Echo	-	-	17,552	17,552	-	-
Postage	1,190	765	1,023	2,978	1,467	338
Printing	679	-	4,130	4,809	3,488	1,106
Professional fees	17,859	8,404	-	26,263	15,385	3,846
Program expenses	24,438	-	-	24,438	10,404	-
Shelter expense	68,567	-	-	68,567	74,912	-
Supplies – office	1,004	6,035	12	7,051	21,479	5,997
Telephone	8,182	945	102	9,229	8,773	1,013
Training	8,137	749	-	8,886	3,272	709
Travel	1,034	1,065	55	2,154	486	21
<b>TOTAL FUNCTIONAL EXPENSES</b>						
	\$ 1,389,194	\$ 315,529	\$ 153,439	\$ 1,858,162	\$ 1,415,902	\$ 111,078
						\$ 1,765,164

The accompanying notes are an integral part of these financial statements.

**WOMEN'S RESOURCES OF MONROE COUNTY INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities:</b>		
Increase (Decrease) in net assets	\$ (116,862)	\$ 28,478
<i>Adjustments to reconcile increase in net assets to net cash provided by operating activities:</i>		
Depreciation	99,709	100,326
Forgiveness of debt	-	(171,646)
Net realized and unrealized gain on investments	46,512	(14,897)
 (Increase) Decrease in operating assets:		
Grants and contracts receivable	12,480	(17,919)
Prepaid expenses	(4,347)	5,327
Pledges receivable	-	-
Increase (Decrease) in operating liabilities:		
Accounts payable	19,294	13,578
Payroll taxes payable	1,398	1,561
Accrued expenses	(374)	(4,272)
Deferred revenue	(15,250)	(5,000)
<b>Net cash provided by (used in) operating activities</b>	<u>42,560</u>	<u>(64,464)</u>
 <b>Cash flows from investing activities:</b>		
Purchase of investments	(113,939)	(253,935)
Investment Sales	21,700	3,241
Redemption of CD	-	257,061
Acquisition of capital assets	(12,040)	(61,147)
<b>Net cash (used in) investing activities</b>	<u>(104,279)</u>	<u>(54,780)</u>
 <b>Cash flows from financing activities:</b>		
Proceeds from long-term borrowings	(24,754)	-
<b>Net cash (used in) financing activities</b>	<u>(24,754)</u>	<u>-</u>
 <b>NET (DECREASE) IN CASH</b>	(86,473)	(119,244)
<b>CASH - at beginning of year</b>	588,686	707,930
<b>CASH - at end of year</b>	<u>\$ 502,213</u>	<u>\$ 588,686</u>
 <b>SUPPLEMENTAL DISCLOSURES:</b>		
Noncash investing and financing transaction:		
In-kind donations received	<u>\$ 70,877</u>	<u>\$ 60,803</u>
 Noncash operating and financing transaction:		
Forgiveness of Payroll Protection Program loan	<u>\$ -</u>	<u>\$ 171,646</u>

See accountants' review report.  
The accompanying notes are an integral part of these financial statements.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

Women's Resources of Monroe County, Inc. (the Organization) is a nonprofit 501(c)(3) tax exempt corporation organized for the purpose of ending domestic and sexual violence in the community. Incorporated in the Commonwealth of Pennsylvania in 1980, the Organization directs programs consistent with their mission to provide domestic violence and assault emergency shelter, supportive counseling, 24-hour hotline services, prevention, educational programs and legal advocacy. The Organization is supported through federal, state, local public funds as well as private donations and grants.

The Organization maintains facilities at its 1.15-acre property in Delaware Water Gap, as well as satellite locations in Brodheadsville and Tobyhanna. Services are provided to men and women, children, those who witness violence, and significant other victims or survivors of violence.

The Organization's primary source of revenue is derived from government contracts with the Commonwealth of Pennsylvania as well as the county government. These contracts (for domestic violence services, rape prevention education services and victims of crime related services) provided approximately 58% and 63% of the agency's revenue for the years ended June 30, 2022 and 2021, respectively. The Organization also raises support from individual donors, private foundations, and special events.

**Basis of Accounting**

Women's Resources of Monroe County's financial statements are presented on the accrual basis of accounting and conforms to generally accepted accounting principles in the United States of America (GAAP), as codified by the Financial Accounting Standards Board. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

**Financial Statement Presentation**

The Organization reports information regarding their financial position and activities based on the existence or absence of donor-imposed restrictions by following the provisions of the Financial Accounting Standards Board, *Accounting Standards Codification* ("FASB ASC"). Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions and donor-imposed restrictions which have expired. The governing board can designate, from net assets without donor restrictions, net assets for an operating reserve and board-designated funds. The governing board has designated certain net assets as of June 30, 2022 and 2021, shown in Note P.

Net assets with donor restrictions – Net assets subject to donor or grantor-imposed stipulations. Donor-imposed restrictions may or will be temporary in nature, such as those that require actions by the Organization or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of assets are recognized when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose has been fulfilled, or both. Detail of net assets with donor restrictions is included in Note P.



**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

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

**Cash and Cash Equivalents**

For statement of financial position presentation and reporting of cash flows, the Organization considers all cash and cash equivalents consisting of short-term, highly liquid investments with an initial maturity of three months or less.

**Accounts Receivable**

Receivables are stated at unpaid balances, less an allowance for doubtful accounts. The allowance is based on experience and particular circumstances which may affect the ability to collect the receivable. Management has determined that no allowance for doubtful accounts is required as of June 30, 2022 and 2021.

**Investments**

The Organization has adopted Statements of Financial Accounting Standards (ASC 958-320) "Accounting for Certain Investments Held by Not-for-Profit Organizations". The provisions of this standard require that the investments in equity securities with readily determinable fair values and all investments in debt securities be measured at fair value on the balance sheet. Any unrealized gain or loss on investments is reflected in the statement of activities.

**Property and Equipment**

The Organization capitalizes property and equipment over \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Estimated useful lives are calculated using the following rates:

<u>Classification</u>	<u>Years</u>
Buildings	39
Building and improvements	39
Furniture and office equipment	5-7
Equipment	5

Depreciation expense for the years ended June 30, 2022 and 2021 was \$99,709 and \$100,326 respectively.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences**

Employees of the Organization are entitled to paid vacation and paid sick days depending on full-time or part-time status. As of January 1, 2022, the maximum amount of paid time off that may be carried into the new calendar year is five days and must be used within the first quarter of the new calendar year. Due to the immaterial nature of the amount of time carried forward, no accrual for vacation pay is included in liabilities as of June, 30, 2022.

**Recent Accounting Pronouncements on Revenue Recognition**

- 1) In May 2014, the Financial Accounting Standards Board (FASB) issued accounting Standards Update 2014-09, ***Revenue from Contracts with Customer (Topic 606)***. The ASU implements a single framework for revenue recognition ensuring that revenue is recognized in a manner that reflects the consideration to which the entity expects to be entitled for goods or services. The core principle of the new standard is built on the contract between a vendor and a customer for goods and services. It attempts to depict the exchange of rights between the parties based on commensurate value. To accomplish this, the standard requires five steps: (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transactions price, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when the entity satisfies the performance obligation.

Effective, July 1, 2020, the Organization adopted ASU 2014-09 on a modified retrospective basis. The adoption of ASU 2014-09, did not have a material impact on the recognition of revenue from contracts with customers. In accordance with FASB Accounting Standards Codification ("ASC") Topic 606, ***Revenue from Contracts with Customers (ASC 606)***, the Organization recognizes revenue when control of the services is transferred to outside parties in an amount that reflects the consideration the Organization expects to be entitled to in exchange for the services.

- 2) In June 2018, the FASB issued ASU 2018-08, ***Not-For-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made***. The ASU was issued to standardize how grants and other contracts received and made are classified across not-for-profit organizations as either an exchange transaction or a contribution. ASU 2018-08 assists entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, ***Not-for-Profit Entities***, or as exchange (reciprocal transactions) within the scope of Topic 606, ***Revenue from Contracts***. If the transaction is deemed to be a contribution, the entity must determine whether the contribution is conditional or unconditional. Conditional status is based upon whether the agreement includes both (1) one and more barriers that must be overcome before the Organization is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

ASU 2018-08 was adopted by the Women's Resources of Monroe County, Inc. effective July 1, 2020 on a modified retrospective basis. While the adoption of ASU 2018-08 did not have a significant impact on the Organization's financial statements, the Organization's nonreciprocal transactions include grants and private contributions as discussed under revenue recognition.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounting Pronouncements Not Yet Adopted**

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), as amended. Under the new provision, all lessees will report on the balance sheet as a right-of-use asset and a liability for the obligation to make payments with the exception of those leases with a term of 12 months or less. The new provision will be effective for Women's Resources of Monroe County, Inc. in the fiscal year beginning after June 30, 2022.

**Purchase of Services by Governmental Agencies**

Government agreements to serve the public are considered conditional contribution revenue and reported as revenue without donor restrictions at the time the service is provided to the public on behalf of the government and billed within the terms of the contract. These services are reported as purchase of services by government agencies, without donor restrictions. Revenue attributable to services provided by Women's Resources of Monroe County under government contracts for the years ended June 30, 2022 and June 30, 2021 are shown below:

	<b><u>2022</u></b>	<b><u>2021</u></b>
Pennsylvania Coalition Against Domestic Violence (PCADV)	\$ 510,802	\$ 470,854
Pennsylvania Coalition Against Rape (PCAR)	96,413	91,716
Victims of Crime Act (VOCA)	402,201	561,172
Department of Community & Economic Development (DCED)	15,000	69,688
Total Purchase of Services by Governmental Agencies	<b><u>\$ 1,024,416</u></b>	<b><u>\$ 1,193,430</u></b>

**Other Government Allocations**

The Organization received additional government funds from the County of Monroe. These county allocations are considered to be non-reciprocal as conditional contributions, whereby revenue is recognized when contractual restrictions are met. Government grants are considered unrestricted unless a donor has imposed a specific restriction.

	<b><u>2022</u></b>	<b><u>2021</u></b>
County economic relief allocations under the Cares Act	\$ 25,000	\$ 75,000
Act 137 Affordable Housing	20,000	-
Homeless Assistance Program (HAP)	11,175	42,039
Monroe County State Food Purchase Program	9,719	13,068
County Emergency Solutions Grants (ESG)	47,419	-
Total County Government Allocations	<b><u>\$ 113,313</u></b>	<b><u>\$ 130,107</u></b>

**Paycheck Protection Program Funds**

During the year ended June 30, 2021, the Organization received \$196,400 in funds from the Small Business Administration's (SBA) Paycheck Protection Program. The funds were initially accounted for as debt and \$171,646 recognized as income upon extinguishment of debt when the SBA granted forgiveness in July 2021.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Paycheck Protection Program Funds (continued)**

Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan and accrued interest. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, utilities, and retention of employees and maintaining salary levels.

In June 2020, the AICPA issued Technical Question and Answer ("TQA") 3200.18, *Borrower Accounting for a Forgivable Loan Received Under the Small Business Administration Paycheck Protection Program*. The TQA addresses accounting for nongovernmental entities that are not Not-For-Profits, i.e. business entities, that believe the PPP loan represents, in substance, a grant that is expected to be forgiven, it may account for the loan as a deferred income liability. The TQA further states that if such an entity expects to meet the PPP's eligibility criteria and concludes that the PPP loan represents in substance, a grant that is expected to be forgiven, it may analogize to International Accounting Standard ("IAS") 20 to account for the PPP loan.

International Accounting Standards (IAS 20) provides a model that a non-profit entity can record the cash inflow from the PPP loan as a deferred income liability and subsequently reduce the liability, with the offset through earnings as either a credit in the income statement or a reduction of the related expenses, as it recognizes the related cost to which the loan relates, for example, payroll expense.

During the year ended June 30, 2021, the Organization determined through internal calculations that all criteria for forgiveness based on the CARES Act had been met and that the PPP loan was 87 percent forgivable. The Organization applied for forgiveness in May 2021 and in July 2021, the Organization was notified by their bank that the SBA had approved the Organization for partial forgiveness of \$171,646. Accordingly, income of \$171,646 arising from the loan forgiveness has been included in the statement of activities for the year ended June 30, 2021.

**Private Grants and Contributions**

Contributions and private foundation grants, which include unconditional promises to give (pledges), are recorded as revenue, at their fair value, when received or promised unconditionally. Contributions received with donor restrictions that limit their use are reported as revenues with donor restrictions. As donor restrictions are met through the passage of time or fulfillment of a purpose, the net assets are released from restriction in the statement of activities and reclassified as net assets without donor restrictions. Donor restricted contributions are initially reported in the net assets with donor restriction class, even if such restrictions were met within the same or current reporting period.

A contribution is conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or right of release of the grantor's obligation to the transferred assets. Conditional contributions are recognized as revenue when the barriers on which they depend have been met.

Certain grants are accounted for as exchange transactions whereby revenue is recognized when the related expenses are incurred. Under these arrangements, amounts received but not yet expended are reported as deferred revenue.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**In-Kind Contributions**

Amounts of donated services and materials are not reflected in the accompanying financial statements unless they are measurable. If there is no objective basis available to measure the value and the value is considered to be immaterial, the services or materials are not included. \$70,877 and \$60,803 of in-kind donations were recorded for the years ended June 30, 2022 and 2021, respectively. The current year represents donations for clothing and shelter supplies of \$70,877 received. The prior year's clothing and shelter supply donations were \$55,911 and services received in kind included advertising of \$4,892.

**Contributed Services**

The Organization recognizes contributed services at their fair value if the services have value to the Organization and require specialized skills, are provided by individuals possessing those skills, and would have been purchased if not provided by contributors. The Organization did not receive any services in the current that would have been otherwise purchased, In the prior year ended June 30, 2021, advertising services valued at \$4,892 was received

Many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The Organization receives more than 5,143 volunteer hours per year.

The Organization benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the organization's program operations and in its fundraising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in the financial statements. GAAP allows recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills. None of the Organization's volunteer services met those criteria for the years ended June 30, 2022 or 2021.

**Special Event Revenues**

The Organization recognizes revenue from sponsors, ticket sales and incidental sales upon sale or date of service, as applicable.

**Investment Income**

Investment income is recorded on an accrual basis, and purchases and sales of investment securities are reflected on a trade-date basis. Realized gains and losses are calculated using average cost for securities sold.

**Other Income**

The Organization recognizes miscellaneous income as an exchange transaction.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

Women's Resources of Monroe County is a Pennsylvania nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes, except for any earnings from unrelated business income. There is no income taxes due for the fiscal year ending June 30, 2022 and there was no uncertain tax positions considered to be material.

The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings in determining any uncertain tax positions. The Organization would recognize accrued interest and penalties associated with any uncertain tax provisions as part of the income tax provision.

The Organization files a Form 990 tax return of Organization Exempt from Income Tax annually. The Organization's returns for 2019, 2020 and 2021 are subject to examination by the IRS, generally for three years after they were filed.

**Advertising**

Advertising costs are charged to expense when the advertising first occurs. In the year ended, June 30, 2022 and 2021, \$655 and \$8,457 was paid for advertising, respectively.

**Functional Allocation of Expenses**

Expenses are summarized and categorized based upon their functional classification as either program or supporting services. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include building costs, insurance, utilities and depreciation, which are allocated on a square-footage basis as well as salary related expenses which are allocated on the basis of estimates of time and effort.

**Concentration of Credit Risk**

The Organization maintains several bank accounts with local banks in Pennsylvania. The institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At various times, cash exceeded insured limits. As of June 30, 2022 and 2021, cash did not exceed federally insured limits. No losses were incurred due to the uninsured balances.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE B – INVESTMENTS**

The cost and fair value of short and long-term investments as of June 30, 2022 and 2021 were as follows:

<u>Investment Type</u>	<u>2022</u>			<u>2021</u>		
	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Equities and Options	\$ 151,260	\$ 135,462	\$ (15,798)	\$ 98,188	\$ 110,014	\$ 11,826
Mutual Funds	12,608	9,936	(2,672)	12,082	12,619	537
Exchange Traded Funds	179,162	165,920	(13,242)	140,632	142,958	2,326
<b>Total</b>	<b>\$ 343,030</b>	<b>\$ 311,318</b>	<b>\$ (31,712)</b>	<b>\$ 250,902</b>	<b>\$ 265,591</b>	<b>\$ 14,689</b>

Investment return for the year ended June 30, 2022 and 2021 was as follows:

	<u>2022</u>	<u>2021</u>
Return on investments:		
Interest and dividends	\$ 4,702	\$ 526
Gains (losses) on investments:		
Net realized gains (losses)	2,663	208
Net unrealized gains (losses)	(46,512)	14,689
Net gain (loss) on investments	(43,849)	14,897
<b>Total return on investments</b>	<b>\$ (39,147)</b>	<b>\$ 15,423</b>

**Fair Value Measurements**

The Organization applies the provisions of ASC 820, Fair Value Measurements and Disclosures, for fair value measurements of investments that are recognized and disclosed at fair value in the financial statements on a recurring basis. Fair value is defined as the exchange price that would be received for an asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that requires the Organization to maximize the use of observable inputs when measuring fair value. Observable inputs reflect the Organization's market assumptions. The three levels of the fair value hierarchy are as follows:

- Level 1 – Quoted prices for identical assets in active markets.
- Level 2 – Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability; or market-corroborated inputs.
- 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.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
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**NOTE B – INVESTMENTS (CONTINUED)**

**Fair Value Measurements (continued)**

The following table presents the Organization's investments measured at fair value in the accompanying statement of financial position as of June 30, 2022 and 2021.

Fair Value Measurements at June 30, 2022				
Investments	Fair Value	Valuation Level 1	Valuation Level 2	Valuation Level 3
Equities and Options	\$ 135,462	\$ 135,462	\$ -	\$ -
Mutual Funds	9,936	9,936	-	-
Exchange Traded Funds	165,920	165,920	-	-
Total investments, at fair value	<u>\$ 311,318</u>	<u>\$ 311,318</u>	<u>\$ -</u>	<u>\$ -</u>

  

Fair Value Measurements at June 30, 2021				
Investments	Fair Value	Valuation Level 1	Valuation Level 2	Valuation Level 3
Equities and Options	\$ 110,014	\$ 110,014		
Mutual Funds	12,619	12,619		
Exchange Traded Funds	142,958	142,958		
Total investments, at fair value	<u>\$ 265,591</u>	<u>\$ 265,591</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE C – GRANTS RECEIVABLE**

Grants receivable from various government agencies are deemed to be fully collectible by management and consist of the following as of June 30, 2022 and 2021:

	2022	2021
Pennsylvania Coalition Against Domestic Violence	\$ 87,217	\$ 79,009
Pennsylvania Coalition Against Rape	9,179	1,325
Pennsylvania Victims of Crime Act	64,524	75,125
County of Monroe	18,853	40,794
Department of Community Economic Development	-	3,500
	<u>\$ 179,773</u>	<u>\$ 199,753</u>

One non-governmental grant of \$7,500 was also due to the Organization as of June 30, 2022.

**NOTE D - PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

	2022	2021
Land	\$ 125,000	\$ 125,000
Building and Improvements	2,943,248	2,943,248
Equipment	216,066	204,026
Furniture and fixtures	173,445	173,445
Less: Accumulated Depreciation	1,439,299	1,339,590
Total Property and Equipment	<u>\$ 2,018,460</u>	<u>\$ 2,106,129</u>



**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE E – DEFERRED REVENUE**

Deferred revenue represents revenues collected but not earned as of June 30, 2022 and 2021. This is primarily composed of special event revenue that was collected during the fiscal year for events that were not able to be held due to the pandemic. Deferred revenue consists of funds collected as follows:

	<u>2022</u>	<u>2021</u>
Gala advance proceeds	\$ -	\$ 15,250
Total Deferred Revenue	<u>\$ -</u>	<u>\$ 15,250</u>

**NOTE F – LINE OF CREDIT**

The Organization has available a \$95,000 unsecured line of credit with a variable interest rate calculated at prime plus 1%. There was no outstanding balance at June 30, 2022 or 2021. The line of credit is subject to annual renewal.

**NOTE G – NOTES PAYABLE**

Notes payable consists of the following at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Small Business Association (SBA) Paycheck Protection Program loan, interest at 1% per annum, full payment paid August 2021.	\$ -	\$ 24,754
Total notes payable	-	24,754
Less: current portion	-	24,754
Notes payable, net of current portion	<u>\$ -</u>	<u>\$ -</u>

**NOTE H – OCCUPANCY AND SHELTER EXPENSES**

Occupancy expenses for the years ended June 30, 2022 and 2021 include the following:

	<u>2022</u>	<u>2021</u>
Insurance	\$ 12,213	\$ 9,812
Utilities	14,097	11,180
Repairs and maintenance	16,134	31,138
Rent	11,400	11,400
Total	<u>\$ 53,844</u>	<u>\$ 63,530</u>

Shelter expenses for the years ended June 30, 2022 and 2021 include the following:

	<u>2022</u>	<u>2021</u>
Supplies	\$ 1,542	\$ 2,127
Food	10,673	11,960
Utilities	18,204	20,232
Maintenance	17,214	20,966
Insurance	18,093	16,707
Alarm monitoring	2,841	2,920
Total	<u>\$ 68,567</u>	<u>\$ 74,912</u>

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE I – RETIREMENT PLAN**

The Organization has a tax-deferred Simple IRA Plan. The plan benefit is for all staff who have:

- 1) Earned \$5,000 or more in any of the prior two years, and
- 2) Can be reasonably expected to earn \$5,000, or more, in the current calendar year.

The Organization matches the employee's contribution up to 3% of the employee's compensation for the calendar year. All deductions will be made pre-tax. All policies and procedures are governed by the IRS regulations and may be modified to stay in compliance with current regulations.

The pension expense for the years ended June 30, 2022 and 2021 were \$12,738 and \$12,892, respectively.

**NOTE J – DESCRIPTION OF OFFICE LEASES**

The Organization leases two office locations on a year-to-year basis as well as a re-sale shop of donated clothing and accessories. Rent expense for the years ended June 30, 2022 and 2021 was \$18,852 for both years.

The Organization entered into two office leases which required monthly rental payments of \$500 and \$450 per month on each lease, renewable each June 30<sup>th</sup>. The re-sale shop lease renewed on May 1, 2021 and required monthly rental payments of \$621 through April 2022. All leases have been extended month-to-month at the same rental amounts as of the report date.

**NOTE K – DESCRIPTION OF EQUIPMENT / SOFTWARE LEASES**

In February 2021, the Organization entered into an operating lease for copier equipment. The lease agreement requires payments of \$192 per month for a period of 48 months ending May 2025.

<u>Year ending June 30,</u>	<u>Amount</u>
2023	\$ 2,304
2024	2,304
2025	1,536
Total	<u>\$ 6,144</u>

**NOTE L – FUNDRAISING – ECHO THRIFT STORE**

The Organization operates a thrift store to provide gently used clothing to program participants as well as raise funds to support its programs. For the year ended June 30, 2022, the Organization's Echo store produced \$42,232 in income with related costs of \$17,552 excluding payroll of \$21,561. For the year ended June 30, 2021, the store produced \$35,839 in income with related costs of \$12,932, excluding payroll of \$23,332. The net profits from the Echo store were \$24,680 and \$22,907 for the years ended, June 30, 2022 and 2021, respectively.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE M – FUNDRAISING - SPECIAL EVENTS**

Special events consist of the following fundraising activities for the year ended June 30, 2022:

	<u>Gala</u>	<u>5K Walk</u>	<u>Butterfly Release</u>	<u>Geraniums</u>	<u>Other</u>	<u>TOTAL</u>
Event Income	\$ 76,681	\$ 13,647	\$ 9,111	\$ 12,958	\$ 12,709	\$ 125,106
Event Expenses	<u>41,668</u>	<u>2,335</u>	<u>837</u>	<u>6,860</u>	<u>1,962</u>	<u>53,662</u>
Net Profit	<u>\$ 35,013</u>	<u>\$ 11,312</u>	<u>\$ 8,274</u>	<u>\$ 6,098</u>	<u>\$ 10,747</u>	<u>\$ 71,444</u>

Special events consist of the following fundraising activities for the year ended June 30, 2021:

	<u>Gala</u>	<u>5k Walk</u>	<u>Butterfly Release</u>	<u>Geraniums</u>	<u>Other</u>	<u>TOTAL</u>
Event Income	\$ 1,500	\$ -	\$ 5,229	\$ 15,182	\$ 13,704	\$ 35,615
Event Expenses	<u>-</u>	<u>-</u>	<u>596</u>	<u>6,675</u>	<u>1,452</u>	<u>8,723</u>
Net Profit	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ 4,633</u>	<u>\$ 8,507</u>	<u>\$ 12,252</u>	<u>\$ 26,892</u>

**NOTE N - RESTRICTIONS ON NET ASSETS**

The Organization receives several grants and donations throughout the year that have specific restrictions by the grantor/donor.

Net assets with donor restrictions (by purpose) as of June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Transportation assistance	\$ 6,478	\$ 938
COVID relief	<u>-</u>	<u>3,338</u>
Net assets with donor restrictions	<u>\$ 6,478</u>	<u>\$ 4,276</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of the passage of time as follows:

	<u>2022</u>	<u>2021</u>
Purpose restriction accomplished:		
Covid supplies	\$ -	\$ 1,000
Training program	2,250	-
Transportation assistance	4,877	5,930
Scholarships paid	4,150	2,000
Roofing	-	19,300
Shelter air handler repairs	-	20,000
Shelter safe housing	-	20,000
Volunteer expenses	<u>2,925</u>	<u>1,133</u>
Total amounts released	<u>\$ 14,202</u>	<u>\$ 69,363</u>

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
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**JUNE 30, 2022 AND 2021**

**NOTE O – BOARD DESIGNATED NET ASSETS**

The Board of Trustees has segregated unrestricted net assets for specific purposes. The total amount of funds designated by the Board was \$48,437 and \$18,012 as of June 30, 2022 and 2021. The funds are designated to support legal assistance needed by clients trapped in an abusive relationship.

The changes in net assets designated by the Board consist of the following for the years ended June 30, 2022 and 2021, respectively.

	<u>2022</u>	<u>2021</u>
Donor contributions	\$ 69,108	\$ -
Interest and dividend income	24	22
Change in board designated net assets	<u>69,132</u>	<u>22</u>
Transfer to undesignated net assets for legal expenses paid	<u>(38,707)</u>	<u>(45,186)</u>
Increase (decrease) in net assets designated by the Board	<u>\$ 30,425</u>	<u>\$ (45,164)</u>

**NOTE P – LIQUIDITY AND AVAILABILITY OF RESOURCES**

Women's Resources of Monroe County, Inc. regularly monitors liquidity to meet its operating needs and other contractual commitments, while maintaining reserves for unexpected events.

As of June 30, 2022, and 2021, the following assets could readily be available within one year to meet expenditures. As shown in the table below, the Organization's financial assets as of the balance sheet date are reduced by amounts not available for general use because of board designations, contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2022</u>	<u>2021</u>
Financial assets available within one year of year-end:		
Cash and cash equivalents	\$ 502,213	\$ 588,686
Investments	311,318	265,591
Grants and contracts receivable	187,273	199,753
Prepaid expenses	20,751	16,404
Less those unavailable for general expenditures within one year due to restrictions:		
Board designated to pay for client legal fees	(48,437)	(18,012)
Grant-restricted to pay for volunteer expenses	-	-
Grant-restricted to pay for transportation costs	(6,478)	(938)
Grant-restricted to pay for Covid supplies	<u>-</u>	<u>(3,338)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 966,640</u>	<u>\$ 1,048,146</u>

Historically, the Organization manages periodic fluctuations in cash flows resulting from the timing of grant allocations and contributions by maintaining a large cash balance as well as having access to a bank line of credit.

**WOMEN'S RESOURCES OF MONROE COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE Q – DEPENDENCY ON MAJOR GRANTORS**

The Organization receives a substantial amount of its support from state governmental agencies. Based on total revenues earned, approximately 53% and 57% of the Organization's revenue for the years ended June 30, 2022 and 2021, respectively was derived from two contracts funded by the Commonwealth of Pennsylvania – Pennsylvania Coalition Against Domestic Violence (PCADV) and Victims of Crime Act (VOCA). A reduction in funding from the State could significantly impact the Organization's operations and its ability to progress or continue activities.

**NOTE R – SUBSEQUENT EVENTS**

In preparing these financial statements, management of the Organization has evaluated events and transactions subsequent to June 30, 2022 through November 23, 2022, the date these financial statements were available to be issued. Based on the definitions and requirements of the Subsequent Events Topics of the FASB Accounting Standards Codification, management of the Women's Resources of Monroe County, Inc. is not aware of any subsequent events that would require recognition or disclosure in the financial statements.