FINANCIAL STATEMENTS

# CALVARY WOMEN'S SERVICES, INC.

FOR THE YEAR ENDED SEPTEMBER 30, 2017
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2016

**CALVARY WOMEN'S SERVICES, INC.**

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# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Calvary Women's Services, Inc.
Washington, D.C.

We have audited the accompanying financial statements of Calvary Women's Services, Inc. (Calvary), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities and change in net assets, functional expenses and cash flows for the year 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 Calvary as of September 30, 2017, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Summarized Comparative Information**

We have previously audited Calvary's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 10, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Gelman Rosenberg & Freedman

January 18, 2018

**CALVARY WOMEN'S SERVICES, INC.**

**STATEMENT OF FINANCIAL POSITION**
**AS OF SEPTEMBER 30, 2017**
**WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016**

## ASSETS

| | 2017 | 2016 |
|---|---|---|
| **CURRENT ASSETS** | | |
| Cash and cash equivalents | $ 1,106,023 | $ 1,039,944 |
| Restricted cash | 13,069 | 18,492 |
| Pledges receivable | 144,243 | 105,793 |
| Grants receivable | 181,062 | 87,971 |
| Other receivable | 62 | 424 |
| Prepaid expenses | 15,557 | 17,640 |
| Total current assets | 1,460,016 | 1,270,264 |
| **FIXED ASSETS** | | |
| Land | 284,220 | 284,220 |
| Building and improvements | 2,974,592 | 2,970,792 |
| Furniture and equipment | 124,975 | 123,781 |
| | 3,383,787 | 3,378,793 |
| Less: Accumulated depreciation and amortization | (472,219) | (369,046) |
| Net fixed assets | 2,911,568 | 3,009,747 |
| **TOTAL ASSETS** | **$ 4,371,584** | **$ 4,280,011** |

## LIABILITIES AND NET ASSETS

| | 2017 | 2016 |
|---|---|---|
| **CURRENT LIABILITIES** | | |
| Current portion of long-term debt | $ 71,796 | $ 73,411 |
| Accounts payable and accrued liabilities | 8,914 | 2,356 |
| Deferred revenue | 1,185 | - |
| Accrued salaries and related benefits | 35,143 | 34,917 |
| Client deposits | 13,128 | 18,453 |
| Total current liabilities | 130,166 | 129,137 |
| **LONG-TERM LIABILITIES** | | |
| Long-term debt, net of current portion | 966,924 | 1,059,130 |
| Total liabilities | 1,097,090 | 1,188,267 |
| **NET ASSETS** | | |
| Unrestricted | 3,064,918 | 2,991,828 |
| Temporarily restricted | 209,576 | 99,916 |
| Total net assets | 3,274,494 | 3,091,744 |
| **TOTAL LIABILITIES AND NET ASSETS** | **$ 4,371,584** | **$ 4,280,011** |

**CALVARY WOMEN'S SERVICES, INC.**

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**
**WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016**

| | 2017 | | | 2016 |
|---|---|---|---|---|
| | Unrestricted | Temporarily Restricted | Total | Total |
| **REVENUE AND SUPPORT** | | | | |
| Contributions and grants | $ 837,948 | $ 454,506 | $ 1,292,454 | $ 1,065,402 |
| Government grants | 931,404 | 34,144 | 965,548 | 932,814 |
| Contributed services and materials | 169,649 | - | 169,649 | 131,809 |
| Interest income | 848 | - | 848 | 391 |
| Miscellaneous revenue | 3,886 | - | 3,886 | 90 |
| Net assets released from donor restrictions | 378,990 | (378,990) | - | - |
| Total revenue and support | 2,322,725 | 109,660 | 2,432,385 | 2,130,506 |
| **EXPENSES** | | | | |
| Program Services: | | | | |
| Calvary Transitional Housing | 1,725,041 | - | 1,725,041 | 1,165,484 |
| Sister Circle | 68,590 | - | 68,590 | 65,624 |
| Pathways | - | - | - | 471,382 |
| Total program services | 1,793,631 | - | 1,793,631 | 1,702,490 |
| Supporting Services: | | | | |
| Management and General | 80,251 | - | 80,251 | 45,840 |
| Fundraising | 375,753 | - | 375,753 | 380,932 |
| Total supporting services | 456,004 | - | 456,004 | 426,772 |
| Total expenses | 2,249,635 | - | 2,249,635 | 2,129,262 |
| Change in net assets | 73,090 | 109,660 | 182,750 | 1,244 |
| Net assets at beginning of year | 2,991,828 | 99,916 | 3,091,744 | 3,090,500 |
| **NET ASSETS AT END OF YEAR** | **$ 3,064,918** | **$ 209,576** | **$ 3,274,494** | **$ 3,091,744** |

See accompanying notes to financial statements.

## CALVARY WOMEN'S SERVICES, INC

### STATEMENT OF FUNCTIONAL EXPENSES
### FOR THE YEAR ENDED SEPTEMBER 30, 2017
### WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016

| | | | 2017 |
|---|---|---|---|
| | Program Services | | |
| | Calvary Transitional Housing | Sister Circle | Total Program Services |
| Salaries | $ 846,002 | $ 53,786 | $ 899,788 |
| Payroll taxes and benefits | 138,061 | 8,777 | 146,838 |
| Volunteer search | 4,972 | - | 4,972 |
| Conference and training | 11,457 | - | 11,457 |
| Donated facilities and services | 27,181 | - | 27,181 |
| Donated materials | 109,020 | - | 109,020 |
| Professional fees | 140,274 | - | 140,274 |
| Supplies | 34,871 | 139 | 35,010 |
| Telephone | 10,028 | - | 10,028 |
| Postage and delivery | 445 | - | 445 |
| Printing | 5,107 | - | 5,107 |
| Events | - | - | - |
| Building maintenance | 57,619 | 100 | 57,719 |
| Utilities | 58,500 | - | 58,500 |
| Insurance | 28,765 | - | 28,765 |
| Equipment and maintenance | 25,307 | - | 25,307 |
| Client necessities | 8,343 | 3,125 | 11,468 |
| Job training and life skills | 8,483 | - | 8,483 |
| Depreciation and amortization | 95,938 | - | 95,938 |
| Interest expense | 45,910 | - | 45,910 |
| Miscellaneous | 1,778 | - | 1,778 |
| Sub-total | 1,658,061 | 65,927 | 1,723,988 |
| Allocation of management and general expenses | 66,980 | 2,663 | 69,643 |
| **TOTAL** | **$ 1,725,041** | **$ 68,590** | **$ 1,793,631** |

| Management and General | Fundraising | Total Supporting Services | Total Expenses | 2016 Total Expenses |
|---|---|---|---|---|
| Supporting Services | | | | |
| $ 65,944 | $ 199,007 | $ 264,951 | $ 1,164,739 | $ 1,122,591 |
| 10,761 | 32,476 | 43,237 | 190,075 | 196,188 |
| - | - | - | 4,972 | 5,063 |
| 237 | 2,806 | 3,043 | 14,500 | 6,184 |
| 33,448 | - | 33,448 | 60,629 | 33,711 |
| - | - | - | 109,020 | 98,098 |
| 36,864 | 4,304 | 41,168 | 181,442 | 166,842 |
| 45 | 960 | 1,005 | 36,015 | 46,077 |
| 216 | 539 | 755 | 10,783 | 10,274 |
| 10 | 9,652 | 9,662 | 10,107 | 7,871 |
| 110 | 10,694 | 10,804 | 15,911 | 19,818 |
| - | 82,684 | 82,684 | 82,684 | 76,389 |
| 1,239 | 3,098 | 4,337 | 62,056 | 31,735 |
| 1,258 | 3,145 | 4,403 | 62,903 | 66,563 |
| 2,716 | 1,547 | 4,263 | 33,028 | 36,011 |
| 544 | 2,527 | 3,071 | 28,378 | 17,057 |
| - | - | - | 11,468 | 11,087 |
| - | 1 | 1 | 8,484 | 13,287 |
| 2,067 | 5,168 | 7,235 | 103,173 | 99,863 |
| 987 | 2,468 | 3,455 | 49,365 | 52,439 |
| 8,038 | 87 | 8,125 | 9,903 | 12,114 |
| 164,484 | 361,163 | 525,647 | 2,249,635 | 2,129,262 |
| (84,233) | 14,590 | (69,643) | - | - |
| **$ 80,251** | **$ 375,753** | **$ 456,004** | **$ 2,249,635** | **$ 2,129,262** |

See accompanying notes to financial statements.

**CALVARY WOMEN'S SERVICES, INC.**

**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**
**WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016**

| | 2017 | 2016 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Change in net assets | $ 182,750 | $ 1,244 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation and amortization | 103,173 | 99,863 |
| (Increase) decrease in: | | |
| Pledges receivable | (38,450) | 30,494 |
| Grants receivable | (93,091) | (45,868) |
| Other receivable | 362 | (81) |
| Prepaid expenses | 2,083 | (1,192) |
| Increase (decrease) in: | | |
| Accounts payable and accrued liabilities | 6,558 | (24,440) |
| Deferred revenue | 1,185 | - |
| Accrued salaries and related benefits | 226 | 12,695 |
| Client deposits | (5,325) | 8,159 |
| Net cash provided by operating activities | 159,471 | 80,874 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchase of fixed assets | (4,994) | (22,195) |
| Net cash used by investing activities | (4,994) | (22,195) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Principal payments on long-term debt | (93,821) | (67,875) |
| Net cash used by financing activities | (93,821) | (67,875) |
| Net increase (decrease) in cash and cash equivalents | 60,656 | (9,196) |
| Cash and cash equivalents at beginning of year, including restricted cash | 1,058,436 | 1,067,632 |
| **CASH AND CASH EQUIVALENTS AT END OF YEAR, INCLUDING RESTRICTED CASH** | **$ 1,119,092** | **$ 1,058,436** |
| **SUPPLEMENTAL INFORMATION** | | |
| **Interest Paid** | **$ 49,365** | **$ 52,439** |

See accompanying notes to financial statements.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Calvary Women's Services, Inc. (Calvary) was incorporated in September 1983, as a District of Columbia not-for-profit corporation, to provide short-term and long-term housing for women who are homeless in Washington, D.C. Calvary offers personalized case management, life skills and education opportunities, health and wellness services, on-site therapy, and daily addiction recovery meetings. Through its housing programs and comprehensive services, Calvary carries out its mission to offer “a safe, caring place for tonight; support, hope and change for tomorrow.”

Calvary’s three housing programs include:

- **Calvary Transitional Housing** assists women in moving out of homelessness and into stable housing. Women also take positive steps toward independence, including: addressing mental and physical health needs, maintaining recovery from addiction, healing from trauma and violence they have experienced, and securing income through employment or benefits.
- **Sister Circle** is a permanent housing program. This program offers long-term support and independent housing to women in recovery from substance addiction, many of whom struggle with serious medical conditions, including HIV/AIDS and cancer. In addition to making support services available, Sister Circle provides a close-knit community of peer support as the women continue to develop their life skills.
- **Pathways** is a transitional housing program that offers stability and support to chronically homeless women who struggle with mental illness. This unique program, that reaches out to some of the most vulnerable members of our community, focuses on building women’s individual skills and creating community among its residents. In September 2016, Calvary ended the use of the program title, Pathways. All 45 beds of transitional housing are now under the program name, Calvary Transitional Housing program. There were no changes to the programs and services.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with the Financial Accounting Standards Board (FASB) ASC 958, Not-for-Profit Entities.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with Calvary's financial statements for the year ended September 30, 2016, from which the summarized information was derived.

Cash and cash equivalents -

Calvary considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of $250,000. At times during the year, Calvary maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Restricted cash -

Calvary maintains a separate cash account for cash held on behalf of its clients. These funds are exclusively for the clients and are not available to pay Calvary's expenses. Deposits and withdrawals are made at the discretion of each participating client. These amounts are reflected as restricted cash and client deposits in the Statement of Financial Position.

Pledges and grants receivable -

Pledges and grants receivable approximate fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets in excess of $1,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to thirty-nine years. Building improvements are amortized over the remaining life of the building. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended September 30, 2017 totaled $103,173.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to Statement of Activities and Change in Net Assets, to its current fair value.

Income taxes -

Calvary is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. Calvary is not a private foundation.

Uncertain tax positions -

For the year ended September 30, 2017, Calvary has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of Calvary and include both internally designated and undesignated resources.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Net asset classification (continued) -

- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of Calvary and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities and Change in Net Assets as net assets released from restrictions.

Contributions and grants -

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year notification is received from the donor.

Temporarily restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Such funds in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

Calvary receives funding under grants and contracts from the U.S. and D.C. Governments, and other grantors for direct and indirect program costs. This funding is subject to contractual restrictions, which must be met through incurring qualifying expenses for particular programs. Accordingly, such grants are considered exchange transactions and are recorded as unrestricted income to the extent that related expenses are incurred in compliance with the criteria stipulated in the grant agreements.

Grants receivable represents amounts due from funding organizations for reimbursable expenses incurred in accordance with the grant agreements. Grant funding received in advance of incurring the related expenses is recorded as a refundable advance.

Contributed services and materials -

Contributed services and materials consist of donated goods, equipment, professional services, facilities and meals. Contributed services and materials are recorded at their fair market value as of the date of the gift.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

New accounting pronouncement not yet adopted -

In August 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*, intended to improve financial reporting for not-for-profit entity. The ASU will reduce the current three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Statement of Activities and Change in Net Assets. The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments. The ASU is effective for years beginning after December 15, 2017. Early adoption is permitted. The ASU should be applied on a retrospective basis in the year the ASU is first applied. While the ASU will change the presentation of Calvary's financial statements, it is not expected to alter Calvary's reported financial position.

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606) (ASU 2014-09).* The ASU establishes a comprehensive revenue recognition standard for virtually all industries under generally accepted accounting principles in the United States (U.S. GAAP) including those that previously followed industry-specific guidance. The guidance states that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The FASB issued ASU 2015-14 in August 2015 that deferred the effective date of ASU 2014-09 by a year; thus, the effective date is fiscal years beginning after December 15, 2018. Early adoption is permitted and should be applied retrospectively in the year the ASU is first applied.

Calvary's plans to adopt  the new ASU's at the required implementation dates.

## 2. LONG-TERM DEBT

In 2010, Calvary obtained a loan from United Bank up to $1,000,000 to purchase land and a building in Washington, D.C. to house its programs. On April 6, 2012, Calvary refinanced the original loan with a construction loan of up to $1,500,000, the proceeds of which were used to pay off the balance of the previous loan and to pay for additional renovations to the building. As of September 30, 2017, the outstanding principal on the loan was $1,038,720.

In the first year of the loan, the loan bears interest at a variable rate equal to the greater of the 30-day LIBOR plus 3 percent, or 5 percent. In the second through sixth year of the loan, the loan bears interest at a fixed annual rate equal to the greater of the midrange of the five-year swap equivalent of the 30-day LIBOR prevailing on the first anniversary of the loan plus 3 percent, or 5 percent. On April 29, 2013, the loan was amended so that the interest rate until the sixth anniversary will be at a fixed rate equal to the greater of the midrange of the five-year swap equivalent of the 30-day LIBOR prevailing on the first anniversary plus 3 percent, or 4.5 percent. In the seventh year of the loan through the loan’s maturity, the note will bear interest at a fixed annual rate equal to the greater of the midrange of the five-year swap equivalent of the 30-day LIBOR prevailing on the sixth anniversary of the loan plus 3 percent, or 4.5 percent. As of September 30, 2017, the effective interest rate was 4.5%.

## 2. LONG-TERM DEBT (Continued)

The loan requires payments of interest only in the first year of the loan. In the second through sixth year of the loan, the loan requires payments of principal and interest sufficient to amortize the loan over a 20-year period. In the seventh year of the loan through the loan's maturity, the loan requires payments of principal and interest, sufficient to amortize the loan over a 15-year period. The loan matures April 7, 2023 and contains certain prepayment penalties. The loan is secured by a first lien Deed of Trust on the property, an assignment of leases and rents on the property, and a security agreement on all personal property on the property.

The loan agreements contain various covenants, which among other things, place restrictions on Calvary's ability to incur additional indebtedness and require Calvary to maintain certain financial ratios.

Future minimal principal payments under this loan are as follows:

| Year Ending September 30, | |
|---|---|
| 2018 | $ 71,796 |
| 2019 | 72,735 |
| 2020 | 73,716 |
| 2021 | 74,744 |
| 2022 | 75,818 |
| 2023 and Thereafter | 669,911 |
| | **$ 1,038,720** |

For the year ended September 30, 2017, interest expense was $49,015.

On May 7, 2012, Calvary entered into a loan and recoverable grant agreement (the Agreement) with Cornerstone, Inc., an unrelated not-for-profit organization. Under the Agreement, Calvary received a loan in the amount of $50,000 and a grant for $50,000, both of which were to provide funds solely for the use of improving the property purchased in December 2010. The loan bears interest at 2 percent, and requires monthly payments of principal and interest over the life of the loan, which is being amortized over 9.5 years and matures November 30, 2021. During the year ended September 30, 2017, Calvary paid off the outstanding balance. Interest expense was $350 for the year ended September 30, 2017.

## 3. GOVERNMENT GRANTS

Calvary receives grants from the Community Partnership for the Prevention of Homelessness, which are funded by the D.C. Government and in fiscal year 2016 were also funded by the U.S. Department of Housing and Urban Development. The grants fund Calvary to provide transitional housing and comprehensive case management services for 35 homeless women a year. In addition, Calvary receives funding from the Federal Emergency Management Agency and funding from the U.S Department of Housing and Urban Development to fund capacity building efforts. The amount of revenue recognized by Calvary from these grants totaled $965,548 for the year ended September 30, 2017. The outstanding receivables from these grants at September 30, 2017 totaled $181,062.

## 3. GOVERNMENT GRANTS (Continued)

For the year ended September 30, 2017 Calvary did not meet the requirements to be subject to an audit under provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.

## 4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at September 30, 2017:

| | |
|---|---|
| Program Support | $ 48,312 |
| Life Skills Training | 2,850 |
| Job Training | 40,914 |
| Time Restricted | 117,500 |
| | **$ 209,576** |

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

| | |
|---|---|
| Program Support | $ 199,954 |
| Life Skills Training | 9,150 |
| Job Training | 52,386 |
| Passage of time | 117,500 |
| | **$ 378,990** |

## 5. CONTRIBUTED SERVICES AND MATERIALS

During the year ended September 30, 2017, Calvary was the beneficiary of donated goods and services which allow Calvary to provide greater resources toward various programs.

To properly reflect total program expenses, the following donations have been included in revenue and expense for the year ended September 30, 2017.

| | |
|---|---|
| Professional services | $ 33,448 |
| Goods and equipment | 89,578 |
| Volunteer services | 27,181 |
| Meals | 19,442 |
| **TOTAL CONTRIBUTED SERVICES AND MATERIALS** | **$ 169,649** |

In addition, volunteers perform many of the day-to-day operating activities at Calvary. Management has determined the value of these donated services do not meet the criteria for recognition as contributed services and has not reflected the estimated value of these services in its Statement of Activities and Change in Net Assets. For the year ended September 30, 2017, the estimated value of these services was $75,751.

## 6. RETIREMENT PLAN

Employees of Calvary are eligible to participate in a 403(b) tax-deferred annuity plan through which they can defer up to the legal limits allowed by the Internal Revenue Code. Calvary does not contribute to employee accounts.

## 7. SUBSEQUENT EVENTS

In preparing these financial statements, Calvary has evaluated events and transactions for potential recognition or disclosure through January 18, 2018, the date the financial statements were issued.