

# **SENIOR SUPPORT SERVICES**

## **Financial Statements**

**For the years ended December 31, 2019 and 2018**

**(With Independent Auditor's Report Thereon)**

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# CFM, P.C.

## CERTIFIED PUBLIC ACCOUNTANTS

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### INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Senior Support Services  
Denver, CO

We have audited the accompanying financial statements of Senior Support Services (a Colorado nonprofit organization) which comprise the statements of financial position as of December 31, 2019, and December 31, 2018 the related statements of activities, cash flows and statements of functional expenses by natural classification for the years then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. 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 audits 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 Senior Support Services as of December 31, 2019 and December 31, 2018, the changes 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.

#### **Subsequent Events**

We draw your attention to Note H Subsequent Events in the notes to the financial statements which describes the uncertainty surrounding the COVID-19 pandemic. Our opinion was not modified with respect to this matter.

*Comprehensive Financial Management P.C.*

Comprehensive Financial Management P.C.  
Lakewood, CO  
September 17, 2020

**SENIOR SUPPORT SERVICES**  
**STATEMENTS OF FINANCIAL POSITION**  
**December 31, 2019 and 2018**

	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 294,874	\$ 228,776
Unconditional promises to give	27,058	43,050
Equities	2,692	4,488
Long term certificates of deposit	231,964	230,754
Prepaid expenses	6,975	6,324
Property and equipment, less accumulated depreciation of \$243,411 for 2019 and \$225,438 for 2018	198,785	216,758
Beneficial Interest in Donor Directed Fund	200,804	174,936
<b>TOTAL ASSETS</b>	<b>\$ 963,152</b>	<b>\$ 905,086</b>
 <b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 9,780	\$ 11,469
<b>TOTAL LIABILITIES</b>	<b>9,780</b>	<b>11,469</b>
 <b>NET ASSETS</b>		
Without donor restriction	953,372	893,617
With donor restriction	-	-
<b>TOTAL NET ASSETS</b>	<b>953,372</b>	<b>893,617</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 963,152</b>	<b>\$ 905,086</b>

The accompanying notes are an integral part of these financial statements

**SENIOR SUPPORT SERVICES  
STATEMENT OF ACTIVITIES  
Year Ended December 31, 2019**

(with comparative totals for December 31, 2018)

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>	
			<b>2019</b>	<b>2018</b>
<b>Public support and revenue</b>				
<b>Public Support</b>				
Agency grants and contracts	\$ 650.00	\$ -	\$ 650.00	\$ 1,500
Government grants and contracts	378,996	-	378,996	312,916
Contributions	390,768	-	390,768	402,891
Special events, net of expense \$3,345	39,972	-	39,972	40,685
In-Kind contributions	667,581	-	667,581	636,141
Mile High United Way	5,209	-	5,209	7,475
<b>Sub Total</b>	<b>1,483,176</b>	<b>-</b>	<b>1,483,176</b>	<b>1,401,608</b>
Net assets released from restriction				-
<b>Total public support</b>	<b>1,483,176</b>	<b>-</b>	<b>1,483,176</b>	<b>1,401,608</b>
<b>Other revenue</b>				
Interest	1,210	-	1,210	806
Gain on insurance settlement	-	-	-	10,870
Realized gain (loss) on investments	6,237	-	6,237	9,838
Unrealized gain (loss) on investments	21,198	-	21,198	(14,228)
Less investment expenses	(3,365)	-	(3,365)	(3,602)
<b>Total other revenue</b>	<b>25,280</b>	<b>-</b>	<b>25,280</b>	<b>3,684</b>
<b>Total public support and revenue</b>	<b>1,508,456</b>	<b>-</b>	<b>1,508,456</b>	<b>1,405,292</b>
<b>Expenses</b>				
<b>Program Services</b>				
Senior Center	1,290,329	-	1,290,329	1,235,075
Housing & Utility Assistance	66,721	-	66,721	120,547
<b>Support Services</b>				
General and administrative	35,613	-	35,613	42,724
Fundraising	56,038	-	56,038	59,115
<b>Total expenses</b>	<b>1,448,701</b>	<b>-</b>	<b>1,448,701</b>	<b>1,457,461</b>
Change in net assets	59,755	-	59,755	(52,169)
Net assets, beginning of year	893,617	-	893,617	945,786
<b>Net assets, end of year</b>	<b>\$ 953,372</b>	<b>\$ -</b>	<b>\$ 953,372</b>	<b>\$ 893,617</b>

The accompanying notes are an integral part of these financial statements

**SENIOR SUPPORT SERVICES  
STATEMENT OF ACTIVITIES  
Year Ended December 31, 2018**

	Without Donor Restriction	With Donor Restriction	2018
<b>Public support and revenue</b>			
<b>Public Support</b>			
Agency grants and contracts	\$ 1,500.00	\$ -	\$ 1,500
Government grants and contracts	312,916	-	312,916
Contributions	402,891	-	402,891
Special events, net of expense \$2,310	40,685	-	40,685
In-Kind contributions	636,141	-	636,141
Mile High United Way	7,475	-	7,475
Sub Total	1,401,608		1,401,608
Net assets released from restriction	89,107	(89,107)	-
Total public support	1,490,715	(89,107)	1,401,608
<b>Other revenue</b>			
Interest	806	-	806
Gain on insurance settlement	10,870	-	10,870
Realized gain (loss) on investments	9,838	-	9,838
Unrealized gain (loss) on investments	(14,228)	-	(14,228)
Less investment expenses	(3,602)	-	(3,602)
Total other revenue	3,684	-	3,684
Total public support and revenue	1,494,399	-	1,405,292
<b>Expenses</b>			
<b>Program Services</b>			
Senior Center	1,235,075	-	1,235,075
Housing & Utility Assistance	120,547	-	120,547
<b>Support Services</b>			
General and administrative	42,724	-	42,724
Fundraising	59,115	-	59,115
Total expenses	1,457,461	-	1,457,461
Change in net assets	36,938	(89,107)	(52,169)
Net assets, beginning of year	856,679	89,107	945,786
Net assets, end of year	\$ 893,617	\$ -	\$ 893,617

The accompanying notes are an integral part of these financial statements

**SENIOR SUPPORT SERVICES**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**Years Ended December 31, 2019 and 2018**

	Program Services		Support Services		Total
	Senior Center	Housing & Utility Assistance	G&A	Fund - raising	
<b>2019</b>					
Direct member assistance	\$ 1,983	\$ 46,871	\$ -	\$ -	\$ 48,854
Wages	333,265	14,257	21,444	39,053	408,019
Benefits	30,517	1,272	1,945	3,665	37,399
Payroll taxes	27,934	1,163	1,140	3,996	34,233
Contract labor & donated services	146,143	-	-	-	146,143
Professional fees	-	-	6,320	-	6,320
Insurance	13,336	556	850	1,601	16,343
Supplies, postage and printing	5,806	242	512	698	7,258
Utilities	19,160	798	1,221	2,302	23,481
Repairs and maintenance	10,225	426	652	1,228	12,531
Consumables	576,446	-	-	-	576,446
Transportation	95,576	-	-	-	95,576
Horticulture therapy	2,645	-	-	-	2,645
Depreciation	14,666	611	935	1,761	17,973
Fundraising other	-	-	-	-	-
Staff meals, events & appreciation	12,627	525	594	1,734	15,480
<b>Total Expenses</b>	<b>\$ 1,290,329</b>	<b>\$ 66,721</b>	<b>\$ 35,613</b>	<b>\$ 56,038</b>	<b>\$ 1,448,701</b>
<b>2018</b>					
Direct member assistance	\$ 2,820	\$ 91,192	\$ -	\$ -	\$ 94,012
Wages	324,575	21,462	24,940	39,940	410,917
Benefits	28,054	1,847	2,166	3,445	35,512
Payroll taxes	29,825	1,963	2,291	3,675	37,754
Contract labor & donated services	124,943	-	-	-	124,943
Professional fees	-	-	5,970	-	5,970
Insurance	12,611	819	1,310	1,638	16,378
Supplies, postage and printing	5,633	140	563	703	7,039
Utilities	17,585	659	1,538	2,197	21,979
Repairs and maintenance	13,151	853	1,366	1,707	17,077
Consumables	581,092	-	-	-	581,092
Transportation	67,795	-	-	-	67,795
Horticulture therapy	2,061	-	-	-	2,061
Depreciation	14,814	962	1,539	1,924	19,239
Fundraising consulting	-	-	-	-	0
Fundraising other	-	-	-	2,585	2,585
Staff meals, events & appreciation	10,116	650	1,041	1,301	13,108
<b>Total Expenses</b>	<b>\$ 1,235,075</b>	<b>\$ 120,547</b>	<b>\$ 42,724</b>	<b>\$ 59,115</b>	<b>\$ 1,457,461</b>

The accompanying notes are an integral part of these financial statements

**Senior Support Services**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2019 and 2018**

	2019	2018
Cash Flows From Operating Activities		
Change in Net Assets	\$ 59,755	\$ (52,169)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	17,973	19,239
(Increase) in unconditional promises to give	15,992	(603)
(Increase) in prepaid expenses	(651)	(662)
Increase (Decrease) in accounts payable and accrued expense	<u>(1,689)</u>	<u>(4,245)</u>
Net cash provided by operating activities	91,380	(38,440)
Investment activities		
Purchases of property and equipment	-	(17,435)
Acquisition of Marketable Securities	-	(4,408)
Interest income	(1,210)	(806)
Realized gain on Beneficial interest	(8,033)	(9,838)
Unrealized loss (gain) Beneficial interest	(19,404)	14,228
Investment expense paid from investment	3,365	3,288
Net cash used by investment activities	<u>(25,282)</u>	<u>(14,971)</u>
Net (decrease) in cash and cash equivalents	66,098	(53,411)
Cash and cash equivalents , beginning of the year	<u>228,776</u>	<u>282,187</u>
Cash and cash equivalents , end of the year	<u>\$ 294,874</u>	<u>\$ 228,776</u>

The accompanying notes are an integral part of these financial statements



**SENIOR SUPPORT SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Years ended December 31, 2019 and December 31, 2018**

**NOTE A: NATURE OF ORGANIZATION AND ACTIVITIES**

**Senior Support Services** (the Organization) was incorporated in 1979 as a not for profit corporation in the State of Colorado. The Organization is a not for profit corporation under Section 501(c)(3) of the Internal Revenue Code and contributions to it are tax deductible within the limitations as prescribed by the code.

The mission of **Senior Support Services** is to make each day better and safer for Denver's low-income and homeless seniors by providing the resources and support they need to lead more self-sufficient and fulfilling lives.

The program and support activities of **Senior Support Services** include:

**Program Services**

**Day Center**-A program to assist seniors by providing to them services and resources, including meals, and help obtaining government benefits.

**Housing and Energy Assistance**-A program to help seniors find and keep adequate housing and provide assistance in paying energy bills.

**Support Services**

**General and Administrative**-The process of managing day to day activities and providing overall direction of Senior Support Services' affairs.

**Fundraising-Activities** to secure increased public support for Senior Support Services.

**NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting***

The financial statements of the Organization have been prepared on the accrual basis of accounting, and accordingly reflect all significant receivables, payables, and other liabilities.

***Basis of Presentation***

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification 958 (the Codification). As required by the Non-Profit Entities Topic of the Codification, the Organization is required to report information regarding its financial position and activities according to two classes of net assets, those without donor imposed restrictions and net assets with donor restrictions.

**SENIOR SUPPORT SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Years ended December 31, 2019 and December 31, 2018**

**NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. The Organization had no assets with donor restrictions at December 31, 2019 and 2018 respectively.

***Revenue Recognition***

Contributions received are recorded as without donor restriction, or with donor restriction depending on the existence and/or nature of any donor restrictions. All donor-restricted contributions are reported as an increase in net assets with donor restriction, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor imposed restrictions are reclassified net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions whose restrictions are met in the same year are reported as unrestricted support.

***Cash and Cash Equivalents and Concentration of Risk***

For purposes of the statement of cash flows, the organization considers all bank and similar deposits, demand accounts and money market funds with an original maturity of three months or less to be cash equivalents. The Organization maintains bank accounts with balances, which, at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents. One Revenue source provided 20.4% of the Organization support, management expects this relationship to continue.

***Property and Equipment***

Property and equipment is recorded at the original cost or, if donated, the fair market value at the date of the donation. The Organization capitalizes items with an original value greater than \$500 and a life of more than one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The cost of repairs and maintenance that do not extend the useful life of the assets are charged to expense as incurred.

**SENIOR SUPPORT SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Years ended December 31, 2019 and December 31, 2018**

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**NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Income Taxes*

The Organization has received determination from the Internal Revenue Service that it qualifies as a public charity under the requirements of Section 501 (c)(3) of the Internal Revenue Code. In accordance with the Internal Revenue Code, the Organization is taxed solely on revenue not related to their exempt function (unrelated business income). The Organization currently has no unrelated business income. Accordingly, no provision has been made for income taxes. The Organization is treated as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). The Organization files as a tax-exempt organization. As of December 31, 2019, in the opinion of management the Organization has not taken any uncertain tax positions, however tax years 2018 and 2017 are open for examination by the Internal Revenue Service.

*Accounts Receivable*

In the opinion of management all accounts receivable at December 31, 2019 are considered collectable. Therefore, the financial statements have no provision for uncollectable accounts.

*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.

*Functional Allocation of Expenses*

The financial statements report certain categories of expenses that are attributable to more than one program or support function. Therefore, these types of expenses require allocation on a reasonable basis that is consistently applied. Examples of expenses that are allocated include depreciation, dues, postage, office supplies, occupancy, computer support and telephone. These types of expenses as well as salaries and benefits are allocated on the basis of the level of effort the Organization's staff devoted to each area during the year.

*Contributed Services*

The Organization receives donations of services, food and other items from the community. Contributed services requiring specialized skills that would otherwise need to be purchased are reflected as contributions and expense in the accompanying financial statements. Contributions that do not meet the necessary criteria are not recorded as contributions and expense in the accompanying financial statements.

**SENIOR SUPPORT SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Years ended December 31, 2019 and December 31, 2018

**NOTE C: PROPERTY AND EQUIPMENT**

The Organizations property and equipment consists of the following at December 31, 2019 and 2018 respectively:

	2019	2018
Land	\$ 43,200	\$ 43,200
Buildings and improvements	293,053	293,053
Furniture and equipment	105,943	105,943
	442,196	442,196
Accumulated depreciation	(243,411)	(225,438)
	\$195,785	\$216,758
Property and equipment, net		

**NOTE D: IN-KIND CONTRIBUTIONS**

Donated food, clothing and other materials and supplies are recorded as contributions and as expenditures at their actual or estimated fair market values on the date of receipt. Donated services are reflected in the accompanying financial statements at their estimated fair value at the date of receipt to the extent that they require specialized skills which, if not provided by the donations, would have to be purchased by the Organization. These services include legal services, accounting, health care and outreach counseling. The Organization also benefits from the services of six part time employees whose wages are paid by an unrelated job-based training program.

	2019	2018
Donated professional services	\$26,000	\$ 27,000
Job based training employees	68,718	53,100
Meals	525,340	492,521
Clothing and supplies	47,523	43,000
Bus passes	-	20,520
	\$667,581	\$636,141
Total	\$667,581	\$636,141

**SENIOR SUPPORT SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Years ended December 31, 2019 and December 31, 2018**

**NOTE D: IN-KIND CONTRIBUTIONS (continued)**

The Organization also receives donated services that do not require specific expertise, but which are nonetheless central to the Organization's operations. For the years ended December 2019 and 2018, the estimated value of these services, based on the estimated dollar value of volunteer time, totaled \$164,736 and \$175,000, respectively. The value of these services are not reflected in the financial statements because they do not meet the criteria for recognition in financial statements prepared in accordance with Generally Accepted Accounting Principles.

**NOTE E: BENEFICIAL INTEREST**

In 2004 **Senior Support Services** entered into an advised fund agreement with the Denver Foundation and transferred \$100,000 to the Foundation to establish this fund. The Foundation will distribute all or part of the income and principal to Senior Support Services, as determined by the Board of Trustees of the Foundation, after taking into account any recommendations made in writing to the Foundation by an advisory committee established by Senior Support Services. The Organization did not grant variance power to the Foundation and, accordingly, the amount is recorded as a beneficial interest in assets held by others, in accordance with ASC Topic 958-210. The cumulative amounts of this fund recognized in the Statements of Activities were \$200,804 and \$174,936 as of December 31, 2019 and 2018, respectively.

**NOTE F: FAIR VALUE MEASUREMENT**

The Organization measures the fair value of assets and liabilities at the price that would be received if the asset were sold or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

**Level 2:** Inputs other than quoted market prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

**Level 3:** Unobservable inputs for an asset or liability reflecting the reporting entity's own assumptions. Level 3 inputs are used to measure fair value to the extent that observable Level 1 or 2 inputs are not available.

**SENIOR SUPPORT SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Years ended December 31, 2019 and December 31, 2018

**NOTE F: FAIR VALUE MEASUREMENT (continued)**

The Organization has determined the fair value of its investments and the underlying assets in its beneficial interest at December 31, 2019 and 2018 as follows:

	<b>2019</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Long Term Certificates of Deposit	\$ 231,964	\$ -	\$ -	\$ 231,964
Equities	2,692	-	-	2,692
Beneficial interest in donor directed fund	0		200,804	200,804
<b>Total</b>	<b>\$ 234,656</b>	<b>\$ -</b>	<b>\$ 200,804</b>	<b>\$ 435,460</b>

	<b>2018</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Long Term Certificates of Deposit	\$ 230,754	\$ -	\$ -	\$ 230,754
Equities	4,488	-	-	4,488
Beneficial interest in donor directed fund	0		174,936	174,936
<b>Total</b>	<b>\$ 235,242</b>	<b>\$ -</b>	<b>\$ 174,936</b>	<b>\$ 410,178</b>