

EISNERAMPER

**WOMEN AGAINST ABUSE, INCORPORATED
AND
WOMEN AGAINST ABUSE LEGAL CENTER**

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020



**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

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INDEPENDENT AUDITORS' REPORT

Board of Directors of
Women Against Abuse, Incorporated and Women Against Abuse Legal Center

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Women Against Abuse, Incorporated and Women Against Abuse Legal Center (collectively, the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities and changes in net assets, functional expenses, program expenses, and cash flows for each of the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements based on our audits. We conducted our audits 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 Organization'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 Organization'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.



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Opinion

In our opinion, the consolidated financial statements referred to on the previous page present fairly, in all material respects, the consolidated financial position of Women Against Abuse, Incorporated and Women Against Abuse Legal Center as of June 30, 2021 and 2020, and the consolidated changes in their net assets and their cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
October 27, 2021

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**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

Consolidated Statements of Financial Position

	June 30,	
	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 316,506	\$ 2,169,073
Certificate of deposit	150,000	150,000
Contributions receivable:		
Government contract	2,734,559	1,846,842
Promises to give	534,928	540,383
Prepaid expenses and other assets	241,251	83,892
Investments	3,665,997	2,857,747
Total current assets	7,643,241	7,647,937
Noncurrent assets:		
Contributions receivable	-	66,000
Land, building, improvements, furniture and equipment, net	2,704,015	2,913,567
	\$ 10,347,256	\$ 10,627,504
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,600,098	\$ 1,446,713
Notes payable	401,353	665,778
Client deposits	8,096	8,058
Total current liabilities	2,009,547	2,120,549
Notes payable, net of current portion	1,940,000	2,772,222
Total liabilities	3,949,547	4,892,771
Commitments and contingencies		
NET ASSETS		
Without donor restrictions:		
Operating	1,321,303	1,450,149
Board-designated	3,958,299	3,220,692
Total net assets without donor restrictions	5,279,602	4,670,841
With donor restrictions	1,118,107	1,063,892
Total net assets	6,397,709	5,734,733
	\$ 10,347,256	\$ 10,627,504

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Consolidated Statement of Activities and Changes in Net Assets
Year Ended June 30, 2021**

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenue and support:			
Governmental grants and contracts	\$ 11,105,179	\$ -	\$ 11,105,179
Foundation awards	58,188	409,906	468,094
Contributions	471,694	286,374	758,068
In-kind contributions	1,104,081	-	1,104,081
Allocated investment income	120,226	-	120,226
Other	20,664	-	20,664
Net assets released from restrictions	642,065	(642,065)	-
	13,522,097	54,215	13,576,312
Expenses:			
Program services:			
Safe Havens	8,032,552	-	8,032,552
Legal	3,359,413	-	3,359,413
Sojourner House	568,965	-	568,965
Safe at Home	376,491	-	376,491
Policy and Prevention	558,136	-	558,136
	12,895,557	-	12,895,557
Supporting services:			
Management and general	967,206	-	967,206
Fundraising	442,468	-	442,468
	1,409,674	-	1,409,674
	14,305,231	-	14,305,231
Change in net assets from operations before depreciation	(783,134)	54,215	(728,919)
Depreciation	(372,714)	-	(372,714)
Change in net assets from operations	(1,155,848)	54,215	(1,101,633)
Gain on forgiveness of Paycheck Protection Program loan	1,026,232	-	1,026,232
Net investment income	858,603	-	858,603
Less allocation to operations	(120,226)	-	(120,226)
Net investment income	738,377	-	738,377
Change in net assets	608,761	54,215	662,976
Net assets at beginning of year	4,670,841	1,063,892	5,734,733
Net assets at end of year	\$ 5,279,602	\$ 1,118,107	\$ 6,397,709

See notes to consolidated financial statements

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Consolidated Statement of Activities and Changes in Net Assets
Year Ended June 30, 2020**

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenue and support:			
Governmental grants and contracts	\$ 10,127,724	\$ -	\$ 10,127,724
Foundation awards	206,799	352,665	559,464
Contributions	602,466	200,800	803,266
In-kind contributions	1,067,150	-	1,067,150
Allocated investment income	29,800	-	29,800
Other	45,400	-	45,400
Net assets released from restrictions	762,436	(762,436)	-
	<u>12,841,775</u>	<u>(208,971)</u>	<u>12,632,804</u>
Expenses:			
Program services:			
Safe Havens	7,670,111	-	7,670,111
Legal	2,995,092	-	2,995,092
Sojourner House	625,127	-	625,127
Safe at Home	420,180	-	420,180
Policy and Prevention	489,822	-	489,822
	<u>12,200,332</u>	<u>-</u>	<u>12,200,332</u>
Supporting services:			
Management and general	685,332	-	685,332
Fundraising	399,276	-	399,276
	<u>1,084,608</u>	<u>-</u>	<u>1,084,608</u>
	<u>13,284,940</u>	<u>-</u>	<u>13,284,940</u>
Change in net assets from operations before depreciation	(443,165)	(208,971)	(652,136)
Depreciation	<u>(366,498)</u>	<u>-</u>	<u>(366,498)</u>
Change in net assets from operations	<u>(809,663)</u>	<u>(208,971)</u>	<u>(1,018,634)</u>
Net investment income	29,800	-	29,800
Less allocation to operations	<u>(29,800)</u>	<u>-</u>	<u>(29,800)</u>
Net investment income	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(809,663)	(208,971)	(1,018,634)
Net assets at beginning of year	<u>5,480,504</u>	<u>1,272,863</u>	<u>6,753,367</u>
Net assets at end of year	<u>\$ 4,670,841</u>	<u>\$ 1,063,892</u>	<u>\$ 5,734,733</u>

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Consolidated Statement of Functional Expenses
Year Ended June 30, 2021**

	Program Services						Supporting Services		
	Women Against Abuse, Incorporated			Total Women Against Abuse, Incorporated	Women Against Abuse Legal Center	Total Program Services	Management and General	Fundraising	Total
	Safe Haven	Legal	Other Programs (a)						
Functional expenses:									
Salaries and wages	\$ 3,957,665	\$ 1,627,972	\$ 721,740	\$ 6,307,377	\$ 181,376	\$ 6,488,753	\$ 264,351	\$ 299,982	\$ 7,053,086
Payroll taxes and employee benefits	1,120,226	539,605	230,990	1,890,821	59,730	1,950,551	111,172	100,904	2,162,627
Contract services and professional fees	455,956	608,700	119,321	1,183,977	30,526	1,214,503	451,828	28,195	1,694,526
Rent, utilities and occupancy costs	1,235,375	120,083	98,283	1,453,741	8,719	1,462,460	25,546	168	1,488,174
Food, supplies, and other program related costs	418,524	30,328	198,431	647,283	1,832	649,115	2,777	719	652,611
Equipment rental costs	23,762	5,676	5,732	35,170	5,118	40,288	1,224	7	41,519
Insurance	86,884	33,529	12,779	133,192	8,764	141,956	16,661	128	158,745
Postage, printing and office supplies	247,276	27,805	36,280	311,361	17,854	329,215	26,909	8,876	365,000
Repairs and maintenance	340,612	-	50,040	390,652	-	390,652	35	-	390,687
Staff development and recruitment	44,842	-	4,370	49,212	3,924	53,136	17,189	94	70,419
Communications	91,977	14,963	17,366	124,306	8,588	132,894	5,974	1,210	140,078
Dues and subscriptions	2,707	7,997	6,408	17,112	689	17,801	2,086	2,038	21,925
Travel and related costs	6,746	257	1,852	8,855	378	9,233	515	67	9,815
Contributions	-	-	-	-	-	-	610	-	610
Interest	-	-	-	-	-	-	18,492	-	18,492
Advertising	-	15,000	-	15,000	-	15,000	21,837	80	36,917
	8,032,552	3,031,915	1,503,592	12,568,059	327,498	12,895,557	967,206	442,468	14,305,231
Depreciation	225,276	-	137,073	362,349	-	362,349	10,365	-	372,714
	<u>\$ 8,257,828</u>	<u>\$ 3,031,915</u>	<u>\$ 1,640,665</u>	<u>\$ 12,930,408</u>	<u>\$ 327,498</u>	<u>\$ 13,257,906</u>	<u>\$ 977,571</u>	<u>\$ 442,468</u>	<u>\$ 14,677,945</u>

(a) See detail of other program expenses on page 8

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Consolidated Statement of Functional Expenses
Year Ended June 30, 2020**

	Program Services						Supporting Services		
	Women Against Abuse, Incorporated						Management and General	Fundraising	Total
	Safe Haven	Legal	Other Programs (a)	Total Women Against Abuse, Incorporated	Women Against Abuse Legal Center	Total Program Services			
Functional expenses:									
Salaries and wages	\$ 3,942,049	\$ 1,493,875	\$ 739,913	\$ 6,175,837	\$ 182,213	\$ 6,358,050	\$ 243,151	\$ 253,703	\$ 6,854,904
Payroll taxes and employee benefits	1,097,861	480,592	243,477	1,821,930	56,847	1,878,777	80,942	84,469	2,044,188
Contract services and professional fees	381,578	496,950	104,242	982,770	35,983	1,018,753	261,849	32,993	1,313,595
Rent, utilities and occupancy costs	1,222,739	117,859	102,843	1,443,441	8,856	1,452,297	18,732	10,111	1,481,140
Food, supplies, and other program related costs	459,347	10,483	227,680	697,510	1,658	699,168	1,370	3,696	704,234
Equipment rental costs	20,613	2,073	7,313	29,999	6,829	36,828	805	4	37,637
Insurance	75,456	32,375	11,816	119,647	6,214	125,861	11,247	224	137,332
Postage, printing and office supplies	210,541	7,444	14,568	232,553	15,386	247,939	9,950	9,157	267,046
Repairs and maintenance	126,924	-	52,077	179,001	-	179,001	-	-	179,001
Staff development and recruitment	39,258	3,593	4,126	46,977	3,005	49,982	36,653	166	86,801
Communications	78,136	8,406	17,059	103,601	4,438	108,039	3,724	683	112,446
Dues and subscriptions	2,370	8,581	807	11,758	2,259	14,017	1,743	3,527	19,287
Travel and related costs	13,239	8,336	9,208	30,783	837	31,620	698	543	32,861
Contributions	-	-	-	-	-	-	1,900	-	1,900
Interest	-	-	-	-	-	-	8,668	-	8,668
Advertising	-	-	-	-	-	-	3,900	-	3,900
	7,670,111	2,670,567	1,535,129	11,875,807	324,525	12,200,332	685,332	399,276	13,284,940
Depreciation	217,678	-	138,453	356,131	-	356,131	10,367	-	366,498
	<u>\$ 7,887,789</u>	<u>\$ 2,670,567</u>	<u>\$ 1,673,582</u>	<u>\$ 12,231,938</u>	<u>\$ 324,525</u>	<u>\$ 12,556,463</u>	<u>\$ 695,699</u>	<u>\$ 399,276</u>	<u>\$ 13,651,438</u>

(a) See detail of other program expenses on page 9

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Consolidated Statement of Other Program Expenses
Year Ended June 30, 2021**

	Women Against Abuse, Incorporated			
	Sojourner House	Safe at Home	Policy and Prevention	Total
Functional expenses:				
Salaries and wages	\$ 252,335	\$ 135,697	\$ 333,708	\$ 721,740
Payroll taxes and employee benefits	84,590	44,588	101,812	230,990
Contract services and professional fees	25,618	11,477	82,226	119,321
Rent, utilities and occupancy costs	80,240	11,628	6,415	98,283
Food, supplies, and other				
program related costs	27,772	166,929	3,730	198,431
Equipment rental costs	5,265	120	347	5,732
Insurance	5,705	1,835	5,239	12,779
Postage, printing and office supplies	24,278	134	11,868	36,280
Repairs and maintenance	50,040	-	-	50,040
Staff development and recruitment	3,293	-	1,077	4,370
Communications	9,555	3,312	4,499	17,366
Dues and subscriptions	163	159	6,086	6,408
Travel and related costs	111	612	1,129	1,852
	<u>568,965</u>	<u>376,491</u>	<u>558,136</u>	<u>1,503,592</u>
Depreciation	<u>137,073</u>	<u>-</u>	<u>-</u>	<u>137,073</u>
	<u><u>\$ 706,038</u></u>	<u><u>\$ 376,491</u></u>	<u><u>\$ 558,136</u></u>	<u><u>\$ 1,640,665</u></u>

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Consolidated Statement of Other Program Expenses
Year Ended June 30, 2020**

	Women Against Abuse, Incorporated			
	Sojourner House	Safe at Home	Policy and Prevention	Total
Functional expenses:				
Salaries and wages	\$ 310,106	\$ 135,528	\$ 294,279	\$ 739,913
Payroll taxes and employee benefits	99,605	45,740	98,132	243,477
Contract services and professional fees	25,806	19,042	59,394	104,242
Rent, utilities and occupancy costs	83,718	12,501	6,624	102,843
Food, supplies, and other				
program related costs	21,326	199,291	7,063	227,680
Equipment rental costs	6,847	149	317	7,313
Insurance	5,020	2,083	4,713	11,816
Postage, printing and office supplies	6,035	914	7,619	14,568
Repairs and maintenance	52,077	-	-	52,077
Staff development and recruitment	1,656	466	2,004	4,126
Communications	8,700	3,330	5,029	17,059
Dues and subscriptions	148	47	612	807
Travel and related costs	4,083	1,089	4,036	9,208
	625,127	420,180	489,822	1,535,129
Depreciation	138,453	-	-	138,453
	<u>\$ 763,580</u>	<u>\$ 420,180</u>	<u>\$ 489,822</u>	<u>\$ 1,673,582</u>

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2021	2020
Cash flows from operating activities:		
Change in net assets	\$ 662,976	\$ (1,018,634)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	372,714	366,498
Gain on forgiveness of Paycheck Protection Program loan and interest	(1,026,232)	-
Donated securities	(6,770)	(19,288)
Proceeds from sale of donated securities	4,590	19,190
Realized and unrealized (gain) loss on investments	(810,067)	27,506
(Increase) decrease in assets:		
Contributions receivable - government contract	(887,717)	57,609
Contributions receivable - promises to give	71,455	221,407
Prepaid expenses and other assets	(157,359)	(18,612)
Increase in liabilities:		
Accounts payable and accrued expenses	153,385	279,535
Client deposits	38	4,173
Net cash used in operating activities	<u>(1,622,987)</u>	<u>(80,616)</u>
Cash flows from investing activities:		
Proceeds from sale of investments	1,270,355	1,175,346
Purchase of investments	(1,266,358)	(1,024,286)
Additions to improvements and equipment	<u>(163,162)</u>	<u>(19,473)</u>
Net cash provided by (used in) investing activities	<u>(159,165)</u>	<u>131,587</u>
Cash flows from financing activities:		
Proceeds from notes payable	-	1,498,000
Repayments of notes payable	(70,415)	-
Payments on lines-of-credit	(5,204,094)	(3,058,908)
Borrowings on lines-of-credit	<u>5,204,094</u>	<u>3,058,908</u>
Net cash provided by (used in) financing activities	<u>(70,415)</u>	<u>1,498,000</u>
Net increase (decrease) in cash and cash equivalents	(1,852,567)	1,548,971
Cash and cash equivalents at beginning of year	<u>2,169,073</u>	<u>620,102</u>
Cash and cash equivalents at end of year	\$ 316,506	\$ 2,169,073
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 12,814</u>	<u>\$ 5,802</u>

See notes to consolidated financial statements

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE A - ORGANIZATION AND BASIS OF PRESENTATION

Nature of Operations

Women Against Abuse, Incorporated ("Women Against Abuse") is a private, nonprofit organization, and a leading domestic violence service provider and advocate located in Philadelphia, Pennsylvania. Established in 1976, the mission of Women Against Abuse is to provide quality, compassionate, and nonjudgmental services in a manner that fosters self-respect and independence in persons experiencing intimate partner violence and to lead the struggle to end domestic violence through advocacy and community education. Women Against Abuse fulfills this mission through innovative programs and community collaborations.

Women Against Abuse has served an average of 10,325 people over the past five years. Service numbers were lower than usual in Fiscal Year 2021 due to the coronavirus (COVID-19). In Fiscal Year 2021, Women Against Abuse served 7,079 people through one or more of its services, which include emergency safe haven, transitional housing, a community-based *Safe at Home* program, legal aid, behavioral health care, hotline counseling, and community education and advocacy. These services make a tangible impact on the community by empowering those who have experienced violent relationships to heal and embrace futures of safety and hope.

Hotline: Women Against Abuse is the lead operator of the Philadelphia Domestic Violence Hotline - a streamlined point of access for crisis intervention, information, referrals and intake to the emergency safe havens. This 24-hour hotline received 10,218 calls in FY21, with 68% of callers identifying as a victim of domestic violence.

New in FY21, Women Against Abuse began offering web chatting as an alternative to the Philadelphia Domestic Violence Hotline. Adding this new technology makes crisis intervention, safety planning and referrals to resources more accessible for people who cannot call the hotline. Women Against Abuse launched WebChat in mid-November 2020 with an advertising campaign, and it is available Monday through Friday from Noon to 8:00 pm Eastern via www.womenagainstabuse.org.

Emergency Safe Haven: Women Against Abuse also operates the only emergency safe havens in Philadelphia for people experiencing domestic violence; two facilities comprised of a total of 200 beds for adults and children who have had to flee their homes to escape abuse. The emergency safe havens are uniquely equipped with 24-hour security, confidential locations, and a continuum of on-site care, including case management, children's services and behavioral health therapy. Since its grassroots beginning more than 45 years ago, the emergency shelter services had been a refuge to survivors who identify as women and their children. Since January of 2019, Women Against Abuse's safe havens have welcomed survivors of *all* gender identities and sexual orientations. This change was propelled by a commitment to being inclusive to survivors who identify as men, trans, or are gender nonconforming.

The emergency safe havens remained open throughout COVID-19, although the pandemic did affect occupancy rates and total number served, since measures had to be taken to ensure social distancing and the safety of residents and staff.

The Children's Services Team at Women Against Abuse cares for the developmental and academic needs of the youngest victims of domestic violence, serving children and youth through an Early Learning Center as well as an afterschool program and summer camp. These children's services – which are normally available on-site to residents at each of Women Against Abuse's safe havens, as well as its transitional housing program – were provided remotely from March 2020 until April 2021 due to COVID-19, and account for the most significant decrease in numbers served in FY21.

The Behavioral Health Team provides individual and group sessions to adult and child survivors at each of Women Against Abuse's residential programs to empower survivors to manage the symptoms of their trauma and begin to heal. Therapists adapted to provide virtual sessions to clients during the pandemic, thus ensuring this important support was still available.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE A - ORGANIZATION AND BASIS OF PRESENTATION (CONTINUED)

Legal Services: The Women Against Abuse Legal Center (the “Legal Center”) is one of the nation's first legal aid programs dedicated to the needs of victims of domestic violence. The Legal Center empowers women and men who have been abused to navigate the justice system by providing attorney representation, court advocacy and telephone counseling. Attorneys represent victims seeking protection from abuse orders, child custody and/or support. Last year, this program – in conjunction with the affiliated Women Against Abuse Legal Center, Inc. – served 2,327 individuals – a 21% decrease compared to FY20 due to the pandemic. Philadelphia Family Court did not resume in-person operations until July 2021, so attorney representation was provided via video conference in FY21.

In addition to its direct services, the Legal Center is also highly engaged in systems-change work that will improve Philadelphia's response to domestic violence by ensuring effective screening and intervention for victims, while holding perpetrators accountable and offering them alternatives to violence. Legal Center leadership worked closely with the courts and law enforcement sector to ensure that access points remained available for the public to be able to file for crucial protections from domestic violence in a timely way during COVID-19. The Legal Center was even able to successfully advocate with the Sheriff's Office to have them deliver petitions to defendants, so that its clients were not forced to travel and be exposed to possible danger during the pandemic.

Transitional Housing: Women Against Abuse ensures that survivors are not forced to return to abusive relationships due to financial or housing instability through the Sojourner House and Safe at Home programs. Sojourner House is an 18-month transitional housing program providing on-site services such as case management, childcare, behavioral health services, life-skills development, educational and employment opportunities, and housing options counseling. In FY21, 55 adults and children received housing and support services at Sojourner House. This represents a 40% decrease compared to FY20, and is largely attributed to a freeze on new intakes necessitated by facility repairs, as well as a scarcity of affordable housing options for clients to move into.

Safe at Home: The Safe at Home program provides community-based case management, paired with housing assistance, to empower survivors to sustain their independence from an abusive partner. The program supports survivors of domestic violence to maintain safe and affordable housing while developing financial literacy and life-skills for long-term self-sufficiency. The Safe at Home Program also aims to strengthen linkages between clients and community supports. The 140 people who benefitted from this program in FY21 are better positioned to sustain safe housing and overcome obstacles that may compromise their families' long-term safety and stability.

Economic Empowerment Programming: In FY21, Women Against Abuse continued integrating economic empowerment programming into its residential services to equip clients to achieve their financial goals and sustain themselves and their families. COVID-19 limited clients' ability to actively look for employment or further their education in FY21, since parents had to shift their attention to their children amid virtual schooling from home and the closures of daycares, afterschool programs and summer camps. Women Against Abuse worked with clients to ensure they had the technology resources needed to look for jobs, participate in remote meetings and appointments and support their children's learning.

Prevention: Women Against Abuse also works to prevent domestic violence through community education and systems-change work. Women Against Abuse provides SAFER™ (Safety Awareness for Every Relationship), a teen dating violence prevention curriculum that is empowering young people in local middle and high schools, as well as homeless runaway youth shelters, to pursue healthy relationships and break intergenerational cycles of domestic violence.

In addition, Women Against Abuse's Community Educators train thousands of first responders, law enforcement and a variety of social service professionals each year on the dynamics of domestic violence, in order to enhance victim safety. The Prevention Team adapted their training curriculum to a virtual platform in response to the pandemic.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE A - ORGANIZATION AND BASIS OF PRESENTATION (CONTINUED)

Lastly, Women Against Abuse hosted its annual iPledge® Campaign for Domestic Violence Awareness Month in October 2020. For the first time, Women Against Abuse held this event virtually due to the pandemic, engaging hundreds of community members, survivors and change-makers in this city-wide initiative that calls on the community to take a stand against domestic violence.

Systems-Change Work: In addition to these direct services, Women Against Abuse leads the struggle to end domestic violence by advocating on behalf of survivors and the programs that serve them. The Policy and Prevention Department participates in the legislative process at all levels of government with the goal of influencing policy that impacts survivors of domestic violence and their families. In addition to legislative advocacy, Women Against Abuse works to eliminate barriers to care for survivors who are accessing services throughout the city. Women Against Abuse is partnering with the Managing Director's Office and stakeholders across Philadelphia's Health and Human Services and law enforcement systems to create a coordinated community response to domestic violence. This initiative – called Shared Safety – is founded on the collective impact model and is engaging nearly 70 stakeholders to transform Philadelphia's response to domestic violence, sexual assault, human trafficking and reproductive coercion. Through Shared Safety's advocacy, City of Philadelphia Mayor Jim Kenney created a first-of-its-kind Office of Domestic Violence Strategies to coordinate and improve Philadelphia's response to relational violence, and appointed Women Against Abuse's former Prevention Director to oversee this work.

Principles of consolidation

The accompanying consolidated financial statements contain the accounts of Women Against Abuse, Incorporated and Women Against Abuse Legal Center (collectively, the "Organization"). The board of directors of the Legal Center is made up entirely of members of the Women Against Abuse board. All significant intercompany activity has been eliminated, including costs for certain personnel who are employed by Women Against Abuse that also perform management and administrative services for Women Against Abuse Legal Center when requested, for which Women Against Abuse Legal Center reimburses Women Against Abuse pursuant to a Personnel and Support Services Agreement between the two organizations (see Note L).

Basis of accounting

The accompanying consolidated financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the Organization in the preparation of the consolidated financial statements.

[1] Classification of net assets:

Resources in the consolidated financial statements are classified for accounting and reporting purposes in classes of net assets according to the existence or absence of donor-imposed restrictions. The accompanying consolidated financial statements may include the following classes of net assets:

Net Assets Without Donor Restrictions - Net assets without restrictions available for use in general operations and not subject to donor-imposed or certain grantor-imposed restrictions. Included in net assets without donor restriction are Board-designated invested assets of \$3,958,299 and \$3,220,692 as of June 30, 2021 and 2020, respectively, to be used to support the long-term sustainability of the Organization.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[1] Classification of net assets: (continued)

Net Assets With Donor Restrictions - Net assets subject to donor-imposed or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets with donor restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organization reports contributions with donor restrictions as support without donor restrictions if the restrictions are met in the same reporting period as when the contributions are received.

[2] Cash and cash equivalents:

For financial reporting purposes, the Organization considers all highly liquid instruments purchased with original maturities of three months or less to be cash equivalents.

[3] Investments and investment income:

Investments in marketable securities, fixed-income funds, and mutual funds are valued in the consolidated statements of financial position at fair value, as determined based on quoted market prices. Investment income included in the consolidated statements of activities and changes in net assets consists of earned interest and dividends and realized and unrealized gains and losses, net of investment management fees.

[4] Land, building, improvements, furniture and equipment and depreciation:

Land, building, improvements, furniture and equipment purchased are stated at cost less accumulated depreciation. Purchases of land, building, improvements, and furniture and equipment in excess of \$5,000 are capitalized and recognized in the consolidated statements of financial position. Donated assets are recorded at fair market value on the date of the gift. Depreciation on the related assets is provided on the straight-line method over the estimated useful lives of 3 to 40 years. The cost of repairs and maintenance is charged to expense as incurred, whereas significant renewals and betterments are capitalized.

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2021 and 2020, and in the opinion of management, there was no impairment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

[5] Notes loan payable:

The Organization has elected to record the Paycheck Protection Program loan ("PPP Loan") as a loan payable and has included it in the notes payable balance. Loan forgiveness will be recognized when the conditions for loan forgiveness are met and the forgiveness amount is formally approved by the bank and the U.S. Small Business Administration ("SBA"). Loan forgiveness was received on April 29, 2021 (see Note G).

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Notes to Consolidated Financial Statements
June 30, 2021 and 2020**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] Revenue recognition - contributions:

The Organization recognizes unconditional contributions when cash, securities or other assets or an unconditional promise to give is received, and are recorded after discounting to the present value of the expected future cash flows. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Governmental grants and contracts

Funding for the Organization's activities is achieved substantially through government grants and contracts which generally reimburse the net eligible costs of specific programs. As the government is not receiving a benefit as a result of these transactions, the grants and contracts are considered to be contributions to the Organization. The grant and contract agreements contain specific service and/or spending requirements. As these stipulations create a barrier that must be achieved, government grants and contracts are considered to be conditional contributions until such time as the barriers are overcome. Contributions from these grant and contract agreements are therefore recognized as revenue when costs are incurred and specific service requirements are met, as required by the agreements. Conditional contributions of \$6,640,796 and \$3,765,834 as of June 30, 2021 and 2020, respectively, will be recognized in the subsequent years as costs are incurred and service requirements are met.

Until the financial information required by the funding source is accepted, costs billed for program services under cost reimbursement contracts are subject to review and possible disallowance. In management's opinion, such disallowance, if any, would not be material to the consolidated financial statements and, therefore, is not a barrier that would prevent the recognition of revenue. Further, collection of receivables arising under these contracts is subject to the availability of funds from the funding sources.

A significant reduction in the level of government support could have an effect on the Organization's programs and activities. For the years ended June 30, 2021 and 2020, grants and contracts from governmental agencies are provided primarily from the following sources:

	<u>2021</u>	<u>2020</u>
City of Philadelphia, Office of Homeless Services	\$ 5,061,555	\$ 5,147,000
Pennsylvania Coalition Against Domestic Violence	2,321,057	1,648,989
City of Philadelphia, Department of Human Services	614,627	614,627
Other governmental agencies	<u>3,107,940</u>	<u>2,717,108</u>
Total governmental grants and contracts	11,105,179	10,127,724
Philadelphia Redevelopment Authority Housing Trust Funds	<u>1,200,000</u>	<u>1,200,000</u>
Total federal, state and city awards	<u>\$ 12,305,179</u>	<u>\$ 11,327,724</u>

Contributions receivable are periodically reviewed by management for collectability. Bad debts are provided for on the allowance method based on historical experience and management's evaluation of outstanding contributions receivable. Contributions are written off when they are deemed uncollectible. Management has determined that an allowance for doubtful accounts is not necessary for either of the years ended June 30, 2021 or 2020.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] Revenue recognition - contributions: (continued)

Foundation awards and contributions

The Organization receives foundation awards and contributions from individuals, corporations and foundations including unconditional promises to give. These awards and contributions provide funding to be used to support the Organization's mission. As donors are not receiving a benefit as a result of these transactions, the grants and contributions are considered to be contribution revenue to the Organization. All contributions are considered available for unrestricted use unless specifically restricted by donor request.

[7] Functional expense methodology:

Directly identifiable expenses are charged to program services, management and general, and fundraising. Certain employee related expenses are charged directly to different functions based on the employees' actual functions performed. Certain software expenses and payroll service fees are charged directly to different functions based on the specific function benefited. The remaining expenses related to more than one function are allocated among the functions benefited based on the level of direct expenses charged to each function.

[8] Operations:

Operating activities primarily include all revenues and expenses that are an integral part of Women Against Abuse's programmatic and general and administrative activities, excluding gain on forgiveness of Paycheck Protection Program loan and unallocated investment income.

[9] Donated facilities and services:

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Contributed space and legal services have been recognized in the consolidated statements of activities and changes in net assets (see Note H).

[10] Concentrations of credit and market risk:

Financial instruments, which potentially expose the Organization to concentrations of credit risk, consist primarily of cash and investments. At times, cash and temporary cash investments may be in excess of the FDIC insurance limit. The Organization has not experienced any losses on cash deposits and believes that it is not exposed to a significant risk with its accounts.

The Organization invests in securities that are exposed to various risks, such as interest rate, market, and credit risk. It is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the consolidated financial statements. Users of these consolidated financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation and potential realizable amounts of reported investments. The Board of Directors has implemented investment guidelines intended to mitigate the investment risk, including utilizing the services of a reputable investment manager to recommend and oversee asset allocation and performance.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[10] Concentrations of credit and market risk: (continued)

The extent of the impact of the COVID-19 outbreak on the financial performance of the Organization's investments will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions and the impact of COVID-19 on the financial markets and the overall economy, all of which are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, the Organization's investment results may be materially adversely affected.

[11] Use of estimates:

The process of preparing consolidated financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the consolidated financial statements. Accordingly, upon settlement, actual results could differ from those estimated amounts.

[12] Federal tax status:

The Internal Revenue Service has classified both Women Against Abuse and Women Against Abuse Legal Center as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("Code"); as organizations, contributions to which are deductible under Section 170(c) of the Code; and as organizations that are not private foundations as defined in Section 509(a) of the Code.

U.S. GAAP requires management to evaluate tax positions taken and recognize a tax liability, if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the Organization and has concluded that as of June 30, 2021 and 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the consolidated financial statements.

The Organization recognizes accrued interest and penalties associated with uncertain tax positions, if any. There were no income tax related interest and penalties recorded for either of the years ended June 30, 2021 or 2020.

[13] Upcoming accounting pronouncements:

In September 2020, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-07 (Topic 958), *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. Under the new standard's requirements, gifts-in-kind are to be presented as a separate line item, instead of remaining grouped among contributions of cash or other financial assets, on the statement of activities and changes in net assets. The ASU requires the new standard to be applied retrospectively, with amendments taking effect for annual reporting periods beginning after June 15, 2021. The ASU does allow for early adoption. Management is currently evaluating the effect that this new guidance will have on its consolidated financial statements and related disclosures.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[13] Upcoming accounting pronouncements: (continued)

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*. The standard's core principle is to increase transparency and comparability among organizations by recognizing lease assets and liabilities on the balance sheet and disclosing key information. ASU 2016-02 will be effective for nonpublic entities for fiscal years beginning after December 15, 2021, which will be the year beginning on July 1, 2022 for the Organization, with early adoption permitted. Management is currently evaluating the impact of the adoption of ASU 2016-02 on its consolidated financial statements and related disclosures.

[14] Reclassification:

Certain amounts in the 2020 consolidated financial statements have been reclassified to conform with the current year presentation.

NOTE C - CONTRIBUTIONS RECEIVABLE

Contributions receivable as of June 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Less than one year:		
Government contracts	\$ 2,734,559	\$ 1,881,509
Promises to give	534,928	505,716
One year to five years - promises to give	<u>-</u>	<u>66,000</u>
Total receivables	<u><u>\$ 3,269,487</u></u>	<u><u>\$ 2,453,225</u></u>

NOTE D - FAIR VALUE MEASUREMENTS

FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, and defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants.

In determining fair value, the Organization uses various valuation approaches, including market, income and/or cost approaches. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the topic are described below:

Level 1 - Quoted prices for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 - Significant inputs to the valuation model are unobservable.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE D - FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used as of June 30, 2021 or 2020.

Equities, fixed income and exchange-traded funds – Valued at the closing price reported in the active market on which the individual securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation method is appropriate, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying assets and liabilities.

The following tables set forth, by level, the Organization's investments at fair value, within the fair value hierarchy, as of June 30, 2021 and 2020:

Investment Assets at Fair Value as of June 30, 2021				
	Level 1	Level 2	Level 3	Total
Equities	\$ 1,977,516	\$ -	\$ -	\$ 1,977,516
Fixed income	552,201	-	-	552,201
Exchange-traded funds	1,136,280	-	-	1,136,280
Total investment assets at fair value	<u>\$ 3,665,997</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,665,997</u>

Investment Assets at Fair Value as of June 30, 2020				
	Level 1	Level 2	Level 3	Total
Equities	\$ 1,473,909	\$ -	\$ -	\$ 1,473,909
Fixed income	598,488	-	-	598,488
Exchange-traded funds	785,350	-	-	785,350
Total investment assets at fair value	<u>\$ 2,857,747</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,857,747</u>

The Organization uses quoted market prices, when available, to determine the fair value of investment securities. Such investments are included in Level 1.

Changes in fair value levels:

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. For the years ended June 30, 2021 and 2020, there were no transfers into or out of Levels 1, 2 or 3.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE E - LAND, BUILDING, IMPROVEMENTS, FURNITURE AND EQUIPMENT

As of June 30, 2021 and 2020, the following assets had the stated values indicated:

	<u>2021</u>	<u>2020</u>
Land	\$ 15,000	\$ 15,000
Building	2,958,450	2,958,450
Improvements	2,415,911	2,317,883
Office furniture and equipment	408,166	408,166
Vehicles	<u>114,557</u>	<u>77,038</u>
	5,912,084	5,776,537
Less accumulated depreciation	<u>3,208,069</u>	<u>2,862,970</u>
	<u><u>\$ 2,704,015</u></u>	<u><u>\$ 2,913,567</u></u>

Depreciation for the years ended June 30, 2021 and 2020 was \$372,714 and \$366,498, respectively. During the year ended June 30, 2021, fully depreciated assets no longer in use, originally valued at \$27,615, were written off.

NOTE F - LINE-OF-CREDIT

The Organization has a bank line-of-credit with a maximum borrowing availability of \$2,000,000, bearing interest at prime (prime was 3.25% as of June 30, 2021 and 2020) and payable on demand. The line-of-credit is secured by a lien on all business assets as well as a pledge of the Organization's investments. The pledge agreement requires that the Organization maintain a minimum coverage ratio of 133.33% of the fair market value of the investments to the principal balance of all loans from the bank, measured monthly. There was no balance outstanding on this line-of-credit as of either June 30, 2021 or 2020.

Interest expense on the bank line-of-credit debt for the years ended June 30, 2021 and 2020 was \$5,326 and \$5,802, respectively.

NOTE G - NOTES PAYABLE

The Organization has a noninterest-bearing loan from the Philadelphia Housing Development Corporation ("PHDC") that was used to finance the renovations of the Sojourner House transitional housing property. The obligation is secured by a second mortgage on the property. The loan agreement includes a requirement that the transitional housing facility be leased to and occupied by low or very low-income families for 15 years or until the obligation is paid in full, whichever is longer. The outstanding balance of this loan as of both June 30, 2021 and 2020 was \$1,200,000. The entire loan balance will be forgiven in 30 years from the date of project completion, September 2013, provided that the Organization is not in default of any of the terms or conditions of the loan agreement.

The Organization also has two noninterest-bearing loans from Federal Home Loan Bank of Pittsburgh, used to finance the renovations and expansion of the Sojourner House transitional housing property. The obligations are secured by a subordinated mortgage on the property. The agreement includes a requirement that the transitional housing facility be leased to and occupied by low or very low-income families until the obligation is paid in full. The outstanding balance of these loans as of both June 30, 2021 and 2020 was \$500,000. The entire balance of the loans will be forgiven in 15 years from the date of project completion, September 2013, provided that the Organization is not in default of any of the terms or conditions of the loan agreement.

**WOMEN AGAINST ABUSE, INCORPORATED AND
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**Notes to Consolidated Financial Statements
June 30, 2021 and 2020**

NOTE G - NOTES PAYABLE (CONTINUED)

The Organization also has a noninterest-bearing loan from Federal Home Loan Bank of New York, used to finance the renovations and expansion of the Sojourner House transitional housing property. The obligation is secured by a subordinated mortgage on the property. The agreement includes a requirement that the transitional housing facility be leased to and occupied by low or very low-income families until the obligation is paid in full. The outstanding balance of the loan as of both June 30, 2021 and 2020 was \$240,000. The entire loan balance will be forgiven in 15 years from the date of project completion, September 2013, provided that the Organization is not in default of any of the terms or conditions of the loan agreement.

In accordance with ASC 835, the loans described above have not been adjusted for the computation of imputed interest.

On April 18, 2020, the Organization received a \$1,498,000 loan pursuant to the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") PPP Loan. Neither principal nor interest was due for a six-month deferral period through October 2020. This loan could be forgiven subject to bank approval in accordance with SBA guidelines. The outstanding principal was \$401,353 and \$1,498,000 as of June 30, 2021 and 2020, respectively. On April 29, 2021, the Organization received forgiveness for \$1,015,879 and accrued interest totaling \$10,354. The remaining outstanding principal under the PPP Loan program is to be repaid in monthly installments of \$40,384 and matures on April 18, 2022.

Scheduled future principal maturities of long-term debt as of June 30, 2021 are as follows:

Year Ending June 30,	
2022	\$ 401,353
2023	-
2024	-
2025	-
2026	-
Thereafter	<u>1,940,000</u>
	<u><u>\$ 2,341,353</u></u>

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Notes to Consolidated Financial Statements
June 30, 2021 and 2020**

NOTE H - CONTRIBUTED RENT, FOOD AND SERVICES

The City of Philadelphia contributes office space for use as a legal center, as well as space (and donated utilities) for use as a shelter. The Organization also received contributed use of space from a third party. The value of the donated space and utilities is included in the consolidated statements of functional expenses with rent, utilities and occupancy costs. The Organization received donated food from the City of Philadelphia and Philabundance, which is included in the consolidated statements of functional expenses with food, supplies, and other program related costs. The Organization receives pro bono legal services. The fair market value of services provided is based upon the law firm's standard rates. In addition, the Organization received pro bono architect services. The value of these services is included in the consolidated statements of functional expenses with contract services and professional fees. The Organization received contributed rent, food and services as follows during the years ended June 30, 2021 and 2020:

	2021			
	Program Services	Management and General	Fundraising	Total
Space and utilities - City of Philadelphia	\$ 850,782	\$ -	\$ -	\$ 850,782
Space - third party	9,375	-	-	9,375
Food	60,570	-	-	60,570
Legal services	-	183,354	-	183,354
	<u>\$ 920,727</u>	<u>\$ 183,354</u>	<u>\$ -</u>	<u>\$ 1,104,081</u>
	2020			
	Program Services	Management and General	Fundraising	Total
Space and utilities - City of Philadelphia	\$ 848,778	\$ -	\$ -	\$ 848,778
Space - third party	9,375	-	-	9,375
Food	67,266	-	-	67,266
Legal services	-	141,731	-	141,731
	<u>\$ 925,419</u>	<u>\$ 141,731</u>	<u>\$ -</u>	<u>\$ 1,067,150</u>

NOTE I - COMMITMENTS AND CONTINGENCIES

[1] Specific plan:

The Organization maintains two defined-contribution retirement plans under Section 403(b) of the Internal Revenue Code covering all eligible union and nonunion employees. Employees may contribute a percentage of their eligible gross wages to specific plans. The Organization also contributes to the plans based principally on employee compensation and employee contributions. Total contributions to both plans charged to expense for the years ended June 30, 2021 and 2020 were \$91,446 and \$87,856, respectively.

**WOMEN AGAINST ABUSE, INCORPORATED AND
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**Notes to Consolidated Financial Statements
June 30, 2021 and 2020**

NOTE I - COMMITMENTS AND CONTINGENCIES (CONTINUED)

[2] Union contract:

As of June 30, 2021, approximately 51% of the Organization's employees are covered by a collective bargaining agreement, which expires on March 31, 2022.

[3] Operating leases:

The Organization has entered into leases for certain facilities and equipment expiring through October 2026, which have been accounted for as operating leases.

The annual future minimum payments under leases with remaining terms in excess of one year as of June 30, 2021 are as follows:

Year Ending June 30,	
2022	\$ 432,628
2023	441,970
2024	445,758
2025	180,118
2026	158,907
2027 and thereafter	<u>154,597</u>
	<u><u>\$ 1,813,978</u></u>

Rental expense under all leases classified as operating leases for the years ended June 30, 2021 and 2020 was \$478,396 and \$475,435, respectively.

[4] Legal matters:

In the course of its business operations, the Organization is involved in various legal matters, which are generally covered by insurance. As of June 30, 2021, management believes there is no exposure to such matters that, if decided adversely, would be material to the consolidated financial statements or are not adequately covered by insurance.

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Notes to Consolidated Financial Statements
June 30, 2021 and 2020**

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS

For the years ended June 30, 2021 and 2020, net assets with donor restrictions that are temporary in nature with either time or purpose restrictions included the following activity.

Program	July 1, 2020	Contributions	Releases from Restrictions	June 30, 2021
Subject to the passage of time:				
Promises to give that are not restricted by donors	\$ 20,000	\$ 20,000	\$ (31,737)	\$ 8,263
Subject to expenditures for specified purpose:				
Legal Center	145,696	189,525	(104,806)	230,415
Safe at Home	1,777	-	-	1,777
Administrative	15,000	125,000	(27,844)	112,156
Safe haven and transitional housing	92,494	37,500	(194,027)	(64,033)
Safe Havens	105,440	80,456	(92,371)	93,525
Behavioral Health Services	52,723	18,470	-	71,193
Public Policy	20,280	-	(20,280)	-
Sojourner House	60,000	79,000	(5,000)	134,000
Grants receivable, the proceeds from which have been restricted by donors for:				
Behavioral Health Services	133,000	-	(67,000)	66,000
Safe at Home	35,000	-	(35,000)	-
Safe haven and transitional housing	170,366	12,500	-	182,866
Safe Havens	61,000	-	-	61,000
Sojourner House	60,000	-	(60,000)	-
Administrative	-	125,000	-	125,000
Legal Center	87,116	8,829	-	95,945
Public Policy	4,000	-	(4,000)	-
	<u>1,043,892</u>	<u>676,280</u>	<u>(610,328)</u>	<u>1,109,844</u>
Grand Total	<u>\$ 1,063,892</u>	<u>\$ 696,280</u>	<u>\$ (642,065)</u>	<u>\$ 1,118,107</u>

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Notes to Consolidated Financial Statements
June 30, 2021 and 2020**

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

<u>Program</u>	<u>July 1, 2019</u>	<u>Contributions</u>	<u>Releases from Restrictions</u>	<u>June 30, 2020</u>
Subject to the passage of time:				
Promises to give that are not restricted by donors	\$ 33,749	\$ 30,000	\$ (43,749)	\$ 20,000
Subject to expenditures for specified purpose:				
Legal Center	68,433	167,329	(90,066)	145,696
Safe at Home	1,837	-	(60)	1,777
Administrative	14,554	15,000	(14,554)	15,000
Safe haven and transitional housing	111,960	50,000	(69,466)	92,494
Hotline	1,379	-	(1,379)	-
Safe Havens	107,083	56,500	(58,143)	105,440
Behavioral Health Services	87,598	67,000	(101,875)	52,723
Public Policy	4,000	20,000	(3,720)	20,280
Sojourner House	65,000	1,190	(6,190)	60,000
Grants receivable, the proceeds from which have been restricted by donors for:				
Behavioral Health Services	-	133,000	-	133,000
Safe at Home	70,000	-	(35,000)	35,000
Safe haven and transitional housing	371,790	-	(201,424)	170,366
Safe Havens	134,000	-	(73,000)	61,000
Sojourner House	120,000	3,810	(63,810)	60,000
Legal Center	77,480	9,636	-	87,116
Public Policy	4,000	-	-	4,000
	<u>1,239,114</u>	<u>523,465</u>	<u>(718,687)</u>	<u>1,043,892</u>
Grand Total	<u>\$ 1,272,863</u>	<u>\$ 553,465</u>	<u>\$ (762,436)</u>	<u>\$ 1,063,892</u>

**WOMEN AGAINST ABUSE, INCORPORATED AND
WOMEN AGAINST ABUSE LEGAL CENTER**

**Notes to Consolidated Financial Statements
June 30, 2021 and 2020**

NOTE K - LIQUIDITY

The following represents Women Against Abuse's financial assets as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Current financial assets:		
Cash and cash equivalents	\$ 316,506	\$ 2,169,073
Certificate of deposit	150,000	150,000
Contributions receivable	3,269,487	2,387,225
Investments	<u>3,665,997</u>	<u>2,857,747</u>
Total current financial assets	<u>7,401,990</u>	<u>7,564,045</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions subject to expenditures for specific purposes	474,661	388,868
Board-designated for specific purpose	<u>3,958,299</u>	<u>3,220,692</u>
	<u>4,432,960</u>	<u>3,609,560</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 2,969,030</u></u>	<u><u>\$ 3,954,485</u></u>

As part of the Organization's liquidity management plan, Women Against Abuse structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, Women Against Abuse invests cash in excess of daily requirements in short-term investments.

For the years ended June 30, 2021 and 2020 included in net assets with donor restrictions is \$643,446 and \$609,024, respectively, that is expected to be received within one year and/or used for its specified purpose.

To help manage unanticipated liquidity needs, the Organization has a committed line-of-credit of \$2,000,000 (see Note F), which it could draw upon. Additionally, the Organization has Board-designated net assets without donor restrictions that could be made available for current operations, if necessary.

NOTE L - RELATED PARTY TRANSACTIONS

Under an agreement between the two organizations, Women Against Abuse is engaged as the provider of personnel and support services on behalf of Women Against Abuse Legal Center (the "affiliate"). Women Against Abuse is responsible for all wages, salaries and other compensation and all other employment-related liabilities for personnel. Women Against Abuse is also responsible for fundraising activities on behalf of both organizations. In exchange for Women Against Abuse's provision of these services to the affiliate, the affiliate reimburses Women Against Abuse a fee equal to the out-of-pocket costs and expenses incurred in connection with its employment of personnel who are assigned to the affiliate, plus any other direct expenses incurred on behalf of the affiliate. This agreement automatically renews each year. The amount owed to Women Against Abuse from the affiliate as of June 30, 2021 and 2020 was \$60,624 and \$73,054, respectively. This amount is eliminated in consolidation.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2021 and 2020

NOTE L - RELATED PARTY TRANSACTIONS (CONTINUED)

For general counsel legal services, the Organization retains Morgan, Lewis & Bockius LLP, where two members of the Organization's volunteer Board of Directors are partners. The Organization received \$183,354 and \$140,801 of contributed legal services from Morgan, Lewis & Bockius LLP in the years ended June 30, 2021 and 2020, respectively.

NOTE M - RISKS AND UNCERTAINTIES

The extent of the impact and effects of the ongoing outbreak of COVID-19 on the operation and financial performance of the Organization's business are unknown. However, the Organization does not expect that the outbreak will have a material adverse effect on its business or financial results at this time.

NOTE N - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through October 27, 2021, which is the date the consolidated financial statements were available to be issued.