

EISNERAMPER

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

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019



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

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INDEPENDENT AUDITORS' REPORT

To the 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, 2020 and 2019, 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.



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, 2020 and 2019, 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.

A handwritten signature in black ink that reads "EisnerAmper LLP". The script is fluid and cursive, with the "E" and "A" being particularly large and stylized.

EISNERAMPER LLP
Philadelphia, Pennsylvania
October 22, 2020

A large, light gray watermark of the firm's name "EISNERAMPER LLP" is centered on the page. The text is in all caps and a sans-serif font, with "LLP" on a second line below "EISNERAMPER".

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

Consolidated Statements of Financial Position

	June 30,	
	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,169,073	\$ 620,102
Certificate of deposit	150,000	150,000
Contributions receivable:		
Government contract	1,846,842	1,904,451
Promises to give	540,383	491,777
Prepaid expenses and other assets	83,892	65,280
Investments	2,857,747	3,036,215
Total current assets	7,647,937	6,267,825
Noncurrent assets:		
Contributions receivable	66,000	336,013
Land, building, improvements, furniture and equipment, net	2,913,567	3,260,592
	<u>\$ 10,627,504</u>	<u>\$ 9,864,430</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,446,713	\$ 1,167,178
Notes payable	665,778	-
Client deposits	8,058	3,885
Total current liabilities	2,120,549	1,171,063
Notes payable, net of current portion	2,772,222	1,940,000
Total liabilities	<u>4,892,771</u>	<u>3,111,063</u>
Commitments and contingencies		
NET ASSETS		
Without donor restrictions:		
Operating	1,450,149	2,075,560
Board-designated	3,220,692	3,404,944
Total net assets without donor restrictions	4,670,841	5,480,504
With donor restrictions	1,063,892	1,272,863
Total net assets	<u>5,734,733</u>	<u>6,753,367</u>
	<u>\$ 10,627,504</u>	<u>\$ 9,864,430</u>

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	<u>(443,165)</u>	<u>(208,971)</u>	<u>(652,136)</u>
Depreciation	<u>(366,498)</u>	<u>-</u>	<u>(366,498)</u>
Net investment income	29,800	-	29,800
Less allocation to operations	(29,800)	-	(29,800)
Net investment income	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>(809,663)</u>	<u>(208,971)</u>	<u>(1,018,634)</u>
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>

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, 2019**

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Revenue and support:			
Governmental grants and contracts	\$ 9,367,332	\$ -	\$ 9,367,332
Foundation awards	109,880	537,520	647,400
Contributions	515,177	268,794	783,971
In-kind contributions	1,178,713	-	1,178,713
Allocated investment income	174,649	-	174,649
Other	32,103	-	32,103
Net assets released from restrictions	794,511	(794,511)	-
	<u>12,172,365</u>	<u>11,803</u>	<u>12,184,168</u>
Expenses:			
Program services:			
Safe Havens	6,805,754	-	6,805,754
Legal	2,822,290	-	2,822,290
Sojourner House	568,707	-	568,707
Safe at Home	257,625	-	257,625
Policy and Prevention	595,933	-	595,933
	<u>11,050,309</u>	<u>-</u>	<u>11,050,309</u>
Supporting services:			
Management and general	722,166	-	722,166
Fundraising	399,890	-	399,890
	<u>1,122,056</u>	<u>-</u>	<u>1,122,056</u>
	<u>12,172,365</u>	<u>-</u>	<u>12,172,365</u>
Change in net assets from operations	<u>-</u>	<u>11,803</u>	<u>11,803</u>
Depreciation	<u>(385,238)</u>	<u>-</u>	<u>(385,238)</u>
Net investment income	<u>183,597</u>	<u>-</u>	<u>183,597</u>
Less allocation to operations	<u>(174,649)</u>	<u>-</u>	<u>(174,649)</u>
Net investment income	<u>8,948</u>	<u>-</u>	<u>8,948</u>
Change in net assets	<u>(376,290)</u>	<u>11,803</u>	<u>(364,487)</u>
Net assets at beginning of year	<u>5,856,794</u>	<u>1,261,060</u>	<u>7,117,854</u>
Net assets at end of year	<u><u>\$ 5,480,504</u></u>	<u><u>\$ 1,272,863</u></u>	<u><u>\$ 6,753,367</u></u>

See notes to consolidated financial statements

**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								
	Safe Haven	Legal	Other Programs (a)	Total Women Against Abuse, Incorporated	Women Against Abuse Legal Center	Total Program Services	Management and General	Fundraising	Total
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 8

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

**Consolidated Statement of Functional Expenses
Year Ended June 30, 2019**

	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	\$ 3,213,262	\$ 1,319,466	\$ 677,476	\$ 5,210,204	\$ 167,864	\$ 5,378,068	\$ 185,580	\$ 232,883	\$ 5,796,531
Payroll taxes and employee benefits	988,259	405,818	206,939	1,601,016	53,095	1,654,111	58,740	71,169	1,784,020
Contract services and professional fees	426,847	502,535	136,364	1,065,746	69,229	1,134,975	361,571	69,771	1,566,317
Rent, utilities and occupancy costs	1,186,181	117,705	102,417	1,406,303	9,328	1,415,631	20,570	-	1,436,201
Food, supplies, and other program related costs	559,235	44,429	119,261	722,925	3,918	726,843	6,721	6,096	739,660
Equipment rental costs	21,452	3,860	5,768	31,080	5,306	36,386	3,266	-	39,652
Insurance	72,960	31,234	11,719	115,913	5,126	121,039	6,896	-	127,935
Postage, printing and office supplies	59,508	10,554	19,039	89,101	4,492	93,593	7,894	13,815	115,302
Repairs and maintenance	118,923	-	94,461	213,384	-	213,384	-	-	213,384
Staff development and recruitment	58,688	5,853	6,067	70,608	3,491	74,099	35,579	2,801	112,479
Communications	69,226	6,875	17,689	93,790	4,986	98,776	109	173	99,058
Dues and subscriptions	2,257	6,609	2,331	11,197	2,714	13,911	1,862	2,648	18,421
Travel and related costs	28,956	36,587	22,734	88,277	1,216	89,493	2,072	534	92,099
Contributions	-	-	-	-	-	-	1,604	-	1,604
Interest	-	-	-	-	-	-	24,630	-	24,630
Advertising	-	-	-	-	-	-	5,072	-	5,072
	6,805,754	2,491,525	1,422,265	10,719,544	330,765	11,050,309	722,166	399,890	12,172,365
Depreciation	234,325	-	140,548	374,873	-	374,873	10,365	-	385,238
	<u>\$ 7,040,079</u>	<u>\$ 2,491,525</u>	<u>\$ 1,562,813</u>	<u>\$ 11,094,417</u>	<u>\$ 330,765</u>	<u>\$ 11,425,182</u>	<u>\$ 732,531</u>	<u>\$ 399,890</u>	<u>\$ 12,557,603</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, 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 Statement of Other Program Expenses
Year Ended June 30, 2019**

	Women Against Abuse, Incorporated			
	Sojourner House	Safe at Home	Policy and Prevention	Total
Functional expenses:				
Salaries and wages	\$ 223,699	\$ 111,624	\$ 342,153	\$ 677,476
Payroll taxes and employee benefits	67,688	35,330	103,921	206,939
Contract services and professional fees	24,957	16,861	94,546	136,364
Rent, utilities and occupancy costs	81,629	12,493	8,295	102,417
Food, supplies, and other program related costs	40,024	68,386	10,851	119,261
Equipment rental costs	4,269	392	1,107	5,768
Insurance	4,544	1,940	5,235	11,719
Postage, printing and office supplies	11,067	345	7,627	19,039
Repairs and maintenance	94,461	-	-	94,461
Staff development and recruitment	2,726	983	2,358	6,067
Communications	7,999	3,489	6,201	17,689
Dues and subscriptions	1,137	170	1,024	2,331
Travel and related costs	4,507	5,612	12,615	22,734
	568,707	257,625	595,933	1,422,265
Depreciation	140,548	-	-	140,548
	<u>\$ 709,255</u>	<u>\$ 257,625</u>	<u>\$ 595,933</u>	<u>\$ 1,562,813</u>

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

Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ (1,018,634)	\$ (364,487)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	366,498	385,238
Donated securities	(19,288)	(15,759)
Proceeds from sale of donated securities	19,190	15,589
Realized and unrealized (gain) loss on investments	27,506	(121,351)
(Increase) decrease in assets:		
Contributions receivable - government contract	57,609	474,278
Contributions receivable - promises to give	221,407	26,802
Prepaid expenses and other assets	(18,612)	15,163
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	279,535	(2,085)
Client deposits	4,173	1,295
Net cash provided by (used in) operating activities	(80,616)	414,683
Cash flows from investing activities:		
Proceeds from sale of investments	1,175,346	926,751
Purchase of investments	(1,024,286)	(936,389)
Purchase of equipment	(19,473)	(31,095)
Net cash provided by (used in) investing activities	131,587	(40,733)
Cash flows from financing activities:		
Proceeds from notes payable	1,498,000	-
Payments on lines-of-credit	(3,058,908)	(8,538,416)
Borrowings on lines-of-credit	3,058,908	8,538,416
Net cash provided by financing activities	1,498,000	-
Net increase in cash and cash equivalents	1,548,971	373,950
Cash and cash equivalents at beginning of year	620,102	246,152
Cash and cash equivalents at end of year	\$ 2,169,073	\$ 620,102
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ 5,802	\$ 24,630

See notes to consolidated financial statements

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2020 and 2019

NOTE A - ORGANIZATION AND BASIS OF PRESENTATION

Nature of operations

Women Against Abuse (“WAA”) is a private, nonprofit organization, and a leading domestic violence service provider and advocate located in Philadelphia, Pennsylvania. Established in 1976, the mission of WAA 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. WAA fulfills this mission through innovative programs and community collaborations.

WAA has served an average of 11,500 people over the past five years. Service numbers were lower than usual in Fiscal Year 2020 due to the coronavirus. In Fiscal Year 2020, WAA served 8,993 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.

WAA 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 11,259 calls in Fiscal Year 2020, a 15% decrease over Fiscal Year 2019. Much of this decrease is attributed to COVID-19 and victims’ inability to make a call while quarantined with an abusive partner.

WAA also operates the only emergency safe havens in Philadelphia specifically for domestic violence victims; 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 40 years ago, the emergency shelter services had been a refuge to survivors who identify as women and their children. In January of 2019, WAA opened its doors to welcome 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 effect 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 WAA 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 to residents at each of Women Against Abuse’s safe havens, as well as its transitional housing program – were temporarily suspended from March – June of Fiscal Year 2020 due to COVID-19.

The Behavioral Health Team provides individual and group sessions to adult and child survivors at each of WAA’s residential programs, in order to empower survivors to manage the symptoms of their trauma and begin to heal. In Fiscal Year 2019, WAA received a multi-year federal grant to hire three additional therapists, a certified yoga therapist, and a full time certified recovery specialist who will work with clients to address the intersection between substance abuse and domestic violence. 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, 2020 and 2019

NOTE A - ORGANIZATION AND BASIS OF PRESENTATION (CONTINUED)

Nature of operations (continued)

The Women Against Abuse Legal Center ("WAALC" or "Legal Center"), (collectively, the "Organization") is one of the nation's first legal aid programs dedicated to the needs of victims of domestic violence. The Organization 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 – served 2,962 individuals, including 425 victims at highest risk of lethality through an innovative partnership with the Philadelphia Police Department.

Due to the pandemic, the Legal Center had a decrease in numbers served in light of court closures and lack of immediate access between clients and staff. Clients have been able to continue to receive support from paralegals, telephone counselors and support staff who are working remotely in real time during business hours. And attorneys maintained their current caseloads via virtual courtroom appearances and continued provision of telephone support and legal advice.

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. We were even able to successfully advocate with the Sheriff's Office to have them deliver petitions to defendants, so that our clients were not forced to travel and be exposed to possible danger during the pandemic.

WAA 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, child care, behavioral health services, life-skills development, educational and employment opportunities, and housing options counseling. In Fiscal Year 2020, 91 adults and children received housing and support services at Sojourner House. Despite the lack of permanent housing options in Philadelphia being exacerbated by COVID-19, the majority of the families who left Sojourner House moved on to permanent housing.

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. Women Against Abuse partners with Mission First Housing Group to provide Safe at Home clients with permanent affordable housing units. 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 161 people who benefitted from this program in Fiscal Year 2020 are better positioned to sustain safe housing and overcome obstacles that may compromise their families' long-term safety and stability. An impressive 100% of clients who exited the Safe at Home program in Fiscal Year 2020 transitioned to permanent housing.

In Fiscal Year 2020, the Organization 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 the last months of Fiscal Year 2020, 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. WAA worked with clients to ensure they have the technology resources needed to look for jobs, participate in remote meetings and appointments and support their children's learning.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2020 and 2019

NOTE A - ORGANIZATION AND BASIS OF PRESENTATION (CONTINUED)

Nature of operations (continued)

WAA also works to prevent domestic violence through community education and systems-change work. The organization 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.

WAA was selected as one of three Eagles Care Partners for the 2019 – 2020 Season. As part of this partnership, we held a youth forum at Lincoln Financial Field in December 2019. This event benefited 100 students from WAA's S.A.F.E.R.™ program, and included a tour of the stadium, lunch, and a discussion about healthy relationships featuring Eagles players and facilitated by WAA educators.

Lastly, in October 2019, WAA hosted its annual iPledge® Campaign, engaging hundreds of community members, survivors and lawmakers in this city-wide initiative that calls on the community to take a stand against domestic violence.

In addition to these direct services, WAA 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, WAA works to eliminate barriers to care for survivors who are accessing services throughout the city. The Organization 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 that are implementing a five-year strategic plan that will 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 WAA's former Prevention Director to oversee this work.

WAA became the first Philadelphia nonprofit organization to receive the Lipman Family Prize of the University of Pennsylvania Wharton School for its leadership in pioneering Shared Safety. WAA was chosen from more than 100 applications across the globe for this prestigious award. Additionally, Jeannine Lisitski, Executive Director and President, was honored with the Human Rights Social Innovator Award by the Philadelphia Social Innovations Journal for her vision and leadership around Shared Safety.

Principles of consolidation and basis of accounting

The accompanying consolidated financial statements contain the accounts of WAA and WAALC and 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"). All significant intercompany activity has been eliminated, including costs for certain personnel who are employed by WAA that also perform management and administrative services for WAALC when requested, for which WAALC reimburses WAA pursuant to a Personnel and Support Services Agreement between the two organizations (see Note L).

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2020 and 2019

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 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 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 \$3,220,692 and \$3,311,515 as of June 30, 2020 and 2019, respectively, to be used to support the long-term sustainability of the Organization. In addition, during the year ended June 30, 2017, the Organization received a \$250,000 prize from the Lipman Family Foundation, designated by the Board to be used for operational expenses. The Lipman Prize balance is \$-0- and \$93,429 as of June 30, 2020 and 2019, respectively.

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 they 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, 2020 and 2019, 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.

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

**Notes to Consolidated Financial Statements
June 30, 2020 and 2019**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[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").

[6] Revenue recognition – government 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 \$3,765,834 and \$4,483,409 as of June 30, 2020 and 2019 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 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, 2020 and 2019, grants and contracts from governmental agencies are provided primarily from the following sources:

	<u>2020</u>	<u>2019</u>
City of Philadelphia, Office of Homeless Services	\$ 5,147,000	\$ 4,935,211
Pennsylvania Coalition Against Domestic Violence	1,648,989	1,303,582
City of Philadelphia, Department of Human Services	614,627	614,627
Other governmental agencies	<u>2,717,108</u>	<u>2,513,912</u>
Total governmental grants and contracts	10,127,724	9,367,332
Philadelphia Redevelopment Authority Housing Trust Funds	<u>1,200,000</u>	<u>1,200,000</u>
Total federal, state and city awards	<u>\$ 11,327,724</u>	<u>\$ 10,567,332</u>

Accounts 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 accounts receivable. Accounts 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, 2020 or 2019.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2020 and 2019

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[7] Revenue recognition – 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.

[8] 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.

[9] Operations:

Operating activities primarily include all revenues and expenses that are an integral part of WAA's programmatic and general and administrative activities, excluding depreciation expense and unallocated investment income.

[10] 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).

[11] 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.

The extent of the impact of the coronavirus (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.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2020 and 2019

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] 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.

[13] Federal tax status:

The Internal Revenue Service has classified both WAA and WAALC 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, 2020 and 2019, 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, 2020 or 2019.

[14] New accounting pronouncement:

In June 2018, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies and improves guidance concerning, 1) evaluating whether a transaction should be accounted for as an exchange transaction or as a contribution, and 2) determining whether a contribution received is conditional. ASU 2018-08 is effective for annual periods beginning after December 15, 2018. ASU 2018-08 should be applied on a modified prospective basis. The Organization has adopted ASU as of and for the year ended June 30, 2020. The adoption of this ASU required enhanced disclosure and an analysis of the classification of existing governmental contracts. The analysis found that the certain existing governmental contracts should be considered contributions, which resulted in a change as this revenue had previously been reported as an exchange transaction. This change had no material impact on net assets.

[15] Upcoming accounting pronouncement:

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.

WOMEN AGAINST ABUSE, INCORPORATED AND WOMEN AGAINST ABUSE LEGAL CENTER

Notes to Consolidated Financial Statements June 30, 2020 and 2019

NOTE C - CONTRIBUTIONS RECEIVABLE

Contributions receivable as of June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Less than one year:		
Government contracts	\$ 1,846,842	\$ 1,904,451
Promises to give	540,383	491,777
One year to five years	<u>66,000</u>	<u>336,013</u>
Total receivables	<u>\$ 2,453,225</u>	<u>\$ 2,732,241</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.

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, 2020 or 2019.

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.

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**Notes to Consolidated Financial Statements
June 30, 2020 and 2019**

NOTE D - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth, by level, the Organization's investments at fair value, within the fair value hierarchy, as of June 30, 2020 and 2019:

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>

Investment Assets at Fair Value as of June 30, 2019				
	Level 1	Level 2	Level 3	Total
Equities	\$ 1,595,708	\$ -	\$ -	\$ 1,595,708
Fixed income	580,827	-	-	580,827
Exchange-traded funds	859,680	-	-	859,680
Total investment assets at fair value	<u>\$ 3,036,215</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,036,215</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, 2020 and 2019, 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, 2020 and 2019

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

As of June 30, 2020 and 2019, the following assets had the stated values indicated:

	<u>2020</u>	<u>2019</u>
Land	\$ 15,000	\$ 15,000
Building	2,958,450	2,958,450
Improvements	2,317,883	2,298,410
Office furniture and equipment	408,166	408,166
Vehicles	<u>77,038</u>	<u>77,038</u>
	5,776,537	5,757,064
Less accumulated depreciation	<u>2,862,970</u>	<u>2,496,472</u>
	<u><u>\$ 2,913,567</u></u>	<u><u>\$ 3,260,592</u></u>

Depreciation for the years ended June 30, 2020 and 2019 was \$366,498 and \$385,238, respectively.

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% and 5.50% as of June 30, 2020 and 2019, respectively) 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, 2020 or 2019.

Interest expense on the bank line-of-credit debt for the years ended June 30, 2020 and 2019 was \$5,802 and \$24,630, 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, 2020 and 2019 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, 2020 and 2019 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.

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**Notes to Consolidated Financial Statements
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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, 2020 and 2019 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 is due for a six-month deferral period through October 2020. This loan may be forgiven subject to bank approval in accordance with SBA guidelines. Any outstanding principal of the loan that is not forgiven under the PPP Loan program at the end of the six-month deferral period will convert to a term loan with an interest rate of 1% payable in equal installments of principal and interest over the next 18 months, beginning in November 2020. The loan matures on April 18, 2022. The outstanding principal was \$1,498,000 as of June 30, 2020.

Scheduled future principal maturities of long-term debt as of June 30, 2020 are as follows:

Year Ending June 30,	
2021	\$ 665,778
2022	832,222
2023	-
2024	-
2025	-
Thereafter	<u>1,940,000</u>
	<u><u>\$ 3,438,000</u></u>

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

**Notes to Consolidated Financial Statements
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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, 2020 and 2019:

	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>

	2019			
	Program Services	Management and General	Fundraising	Total
Space and utilities - City of Philadelphia	\$ 804,336	\$ -	\$ -	\$ 804,336
Space - third party	9,375	-	-	9,375
Food	118,815	-	-	118,815
Legal services	33,888	212,299	-	246,187
	<u>\$ 966,414</u>	<u>\$ 212,299</u>	<u>\$ -</u>	<u>\$ 1,178,713</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, 2020 and 2019 were \$87,856 and \$77,170, respectively.

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**Notes to Consolidated Financial Statements
June 30, 2020 and 2019**

NOTE I - COMMITMENTS AND CONTINGENCIES (CONTINUED)

[2] Union contract:

As of June 30, 2020, approximately 53% 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, 2020 are as follows:

Year Ending June 30,	
2021	\$ 439,196
2022	432,628
2023	466,413
2024	421,315
2025	180,118
2026 and thereafter	<u>313,504</u>
	<u><u>\$ 2,253,174</u></u>

Rental expense under all leases classified as operating leases for the years ended June 30, 2020 and 2019 was \$475,435 and \$476,000, 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, 2020, 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.

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**Notes to Consolidated Financial Statements
June 30, 2020 and 2019**

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS

For the years ended June 30, 2020 and 2019, net assets with donor restrictions that are temporary in nature with either time or purpose restrictions included the following activity.

<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	145,913	176,965	(90,066)	232,812
Safe at Home	1,837	-	(60)	1,777
Administrative	14,554	15,000	(14,554)	15,000
Safe haven and transitional housing	2,500	50,000	(52,500)	-
Hotline	1,379	-	(1,379)	-
Safe Havens	72,270	56,500	(97,333)	31,437
Behavioral Health Services	57,598	67,000	(71,875)	52,723
Public Policy	8,000	20,000	(3,720)	24,280
Sojourner House	65,000	5,000	(70,000)	-
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	481,250	-	(218,390)	262,860
Safe Havens	198,813	-	(63,810)	135,003
Sojourner House	120,000	-	-	120,000
	<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, 2020 and 2019**

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Program	July 1, 2018	Contributions	Releases from Restrictions	June 30, 2019
Subject to the passage of time:				
Promises to give that are not restricted by donors	\$ 10,415	\$ 65,000	\$ (41,666)	\$ 33,749
Subject to expenditures for specified purpose:				
Education	-	10,000	(10,000)	-
Legal Center	162,567	77,365	(94,019)	145,913
Safe at Home	44,451	2,500	(45,114)	1,837
Administrative	-	41,000	(26,446)	14,554
Safe haven and transitional housing	477	55,000	(52,977)	2,500
Hotline	14,319	-	(12,940)	1,379
Safe Havens	190,466	75,449	(193,645)	72,270
Behavioral Health Services	118,909	-	(61,311)	57,598
Public Policy	6,794	8,000	(6,794)	8,000
Sojourner House	1,800	70,000	(6,800)	65,000
Grants receivable, the proceeds from which have been restricted by donors for:				
Safe at Home	-	70,000	-	70,000
Safe haven and transitional housing	710,862	-	(229,612)	481,250
Safe Havens	-	212,000	(13,187)	198,813
Sojourner House	-	120,000	-	120,000
	<u>1,250,645</u>	<u>741,314</u>	<u>(752,845)</u>	<u>1,239,114</u>
Grand Total	<u>\$ 1,261,060</u>	<u>\$ 806,314</u>	<u>\$ (794,511)</u>	<u>\$ 1,272,863</u>

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

**Notes to Consolidated Financial Statements
June 30, 2020 and 2019**

NOTE K - LIQUIDITY

The following represents WAA's financial assets as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Financial assets:		
Cash and cash equivalents	\$ 2,169,073	\$ 620,102
Certificate of deposit	150,000	150,000
Contributions receivable	2,387,207	2,396,228
Investments	<u>2,857,747</u>	<u>3,036,215</u>
Total financial assets	<u>7,564,027</u>	<u>6,202,545</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions subject to expenditures for specific purposes	388,868	272,346
Board-designated for specific purpose	<u>3,220,692</u>	<u>3,404,944</u>
	<u>3,609,560</u>	<u>3,677,290</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,954,467</u>	<u>\$ 2,525,255</u>

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

Included in net assets with donor restrictions is \$609,024 that is expected to be received within one year and 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, WAA is engaged as the provider of personnel and support services on behalf of WAALC (the "affiliate"). WAA is responsible for all wages, salaries and other compensation and all other employment-related liabilities for personnel. WAA is also responsible for fundraising activities on behalf of both organizations. In exchange for WAA's provision of these services to the affiliate, the affiliate reimburses WAA 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 WAA from the affiliate as of June 30, 2020 and 2019 was \$73,054 and \$40,440, respectively. This amount is eliminated in consolidation.

For general counsel legal services, the Organization retains MorganLewis LLP, where two members of the Organization's volunteer Board of Directors are partners. The Organization received \$140,801 and \$193,830 of contributed legal services from MorganLewis LLP in the years ended June 30, 2020 and 2019, respectively.

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

**Notes to Consolidated Financial Statements
June 30, 2020 and 2019**

NOTE M - RISKS AND UNCERTAINTIES

The extent of the impact and effects of the recent 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 22, 2020, which is the date the consolidated financial statements were available to be issued.