

SEATTLE HOUSING AND RESOURCE EFFORT

**Financial Statements for the Years Ended December 31, 2013
and December 31, 2012**

And

Independent Accountant's Review Report

SEATTLE HOUSING AND RESOURCE EFFORT
Table of Contents
For the Years Ended December 31, 2013 and 2012

Independent Accountant’s Review Report.....	1
Financial Statements:	
Statement of Financial Position.....	2
Statement of Activities and Changes in Net Assets.....	3
Statement of Functional Expenses.....	4
Statement of Cash Flows.....	5
Notes to Financial Statements.....	6
Supplementary Information:	
Schedule of Program Activity for Womens’ Housing Equality and Enhancement League.....	9

Steven A. Isaacson
Certified Public Accountant
4 Lake Bellevue Drive #110, Bellevue, WA. 98005

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

**Board of Directors
Seattle Housing and Resource Effort
Seattle, Washington**

I have reviewed the accompanying Statements of Financial Position of Seattle Housing and Resource Effort (SHARE) (a non-profit organization) as of December 31, 2013 and 2012, and the related Statements of Activities and Changes in Net Assets, Functional Expenses, and Cash Flows for the years then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of SHARE's management.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

My review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The information included in the accompanying Schedule of Program Activity for Women's Housing Equality and Enhancement League is presented only for the supplementary analysis purposes. Such information has been subject to the inquiry and analytical procedures applied in the review of the basic financial statements, and I are not aware of any material modifications that should be made hereto.



June 25, 2014

SEATTLE HOUSING AND RESOURCE EFFORT
 Statements of Financial Position
 December 31, 2013 and 2012

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
Cash (Deficit)	\$ (35,643)	\$ 48,154
Grants and contracts receivable	32,560	33,043
Other current assets	<u>1,500</u>	<u>1,500</u>
	<u>(1,583)</u>	<u>82,697</u>
 Property and Equipment:		
Equipment	75,111	74,476
Accumulated depreciation	<u>(55,350)</u>	<u>(47,140)</u>
	<u>19,761</u>	<u>27,336</u>
Total	\$ 18,178	\$ 110,033
	<u>=====</u>	<u>=====</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable	\$ 3,422	\$ 3,422
Loan payable - Other	10,000	-
Payroll related liabilities	<u>7,000</u>	<u>7,000</u>
	<u>20,422</u>	<u>10,422</u>
 Net Assets:		
Unrestricted (Deficit)	(197,158)	(253,008)
Temporarily restricted	<u>194,914</u>	<u>352,619</u>
	<u>(2,244)</u>	<u>99,611</u>
Total	\$ 18,178	\$ 110,033
	<u>=====</u>	<u>=====</u>

See Accountant's Review Report
 The accompanying notes should be read with these financial statements.

SEATTLE HOUSING AND RESOURCE EFFORT
Statement of Activities and Changes in Net Assets
For the Years Ended December 31, 2013 and 2012

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	2013 <u>Total</u>	2012 <u>Total</u>
Support and revenue:				
Grants and contracts - government	\$ 575,390	\$	\$ 575,390	\$ 504,523
Grants and contracts - other	49,181		49,181	66,735
Contributions	89,910		89,910	100,325
Special event revenue	22,000		22,000	48,328
Participant fees	18,052		18,052	15,847
Miscellaneous	<u>3,495</u>		<u>3,495</u>	<u>1,306</u>
	<u>758,028</u>	<u>-</u>	<u>758,028</u>	<u>737,064</u>
Expenses:				
Program services	765,448	22,620	788,068	873,569
Management and general	<u>64,512</u>	<u>-</u>	<u>64,512</u>	<u>62,016</u>
	<u>829,960</u>	<u>22,620</u>	<u>852,580</u>	<u>935,585</u>
Increase (Decrease) in Net Assets	<u>(71,932)</u>	<u>(22,620)</u>	<u>(94,552)</u>	<u>(198,521)</u>
Net Assets (Deficit), Begin. of Year	(117,923)	217,534	99,611	301,661
Prior year reclassification (Note 7)	<u>(7,303)</u>	<u>-</u>	<u>(7,303)</u>	<u>(3,529)</u>
Adjusted Beginning Net Assets (Def.)	<u>(125,226)</u>	<u>217,534</u>	<u>92,308</u>	<u>298,132</u>
Net Assets (Deficit), End of the Year	<u>\$(197,158)</u>	<u>\$194,914</u>	<u>(\$ 2,244)</u>	<u>\$ 99,611</u>

See Accountant's Review Report
The accompanying notes should be read with these financial statements

SEATTLE HOUSING AND RESOURCE EFFORT
 Statements of Functional Expenses
 For the Years Ended December 31, 2013 and 2012

	Program <u>Services</u>	Management & General	2013 <u>Total</u>	2012 <u>Total</u>
Salaries and wages	\$ 184,082	\$ 25,102	\$ 209,184	\$ 182,884
Employee benefits	56,070	7,669	63,739	43,363
Payroll taxes	20,836	2,841	23,677	23,575
Professional fees	8,438	7,905	16,343	24,623
Supplies	46,190	6,299	52,489	56,738
Printing & postage	16,231	2,213	18,444	10,643
Telephone	16,852	2,298	19,150	17,136
Occupancy	183,888	2,422	186,310	186,895
Repairs & maintenance	35,876	-	35,876	36,199
Transportation	175,680	-	175,680	188,118
Insurance	6,693	913	7,606	7,213
Miscellaneous	6,402	6,850	13,252	12,938
Depreciation	<u>8,210</u>	<u>-</u>	<u>8,210</u>	<u>10,175</u>
 Total Expenses	 \$ 765,448 <u>=====</u>	 \$ 64,512 <u>=====</u>	 \$ 829,960 <u>=====</u>	 \$ 800,500 <u>=====</u>

See Accountant's Review Report
 The accompanying notes should be read with these financial statements

SEATTLE HOUSING AND RESOURCE EFFORT
 Statements of Cash Flows
 For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (Decrease) in Net Assets	\$ (94,552)	\$ (198,521)
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation	8,210	10,175
Prior Period Reclassification	(7,303)	(3,529)
Changes in assets and liabilities:		
Increase in loan payable	10,000	-
(Increase) decrease in grants and contracts receivable	<u>483</u>	<u>8,480</u>
Cash provided (used) by operating activities	(<u>83,162</u>)	(<u>183,395</u>)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(<u>635</u>)	(<u>22,088</u>)
Net Increase (Decrease) in Cash	(83,797)	(205,483)
Cash, Beginning of the Year	<u>48,154</u>	<u>253,637</u>
Cash, (Deficit) End of the Year	\$ (35,643)	\$ <u>48,154</u>

See Accountant's Review Report
 The accompanying notes should be read with these financial statements

SEATTLE HOUSING AND RESOURCE EFFORT
Notes to Financial Statements
For the Years Ended December 31, 2013 and 2012

NOTE 1 - DESCRIPTION OF ORGANIZATION

Seattle Housing and Resource Effort (SHARE) was incorporated December 16, 1992. The purpose of SHARE is to assist homeless men and women to acquire jobs and to educate the general community on the problems of homelessness.

SHARE operates transitional housing and shelters for homeless men and women in Seattle. Approximately 115,000 bed nights of shelter for 400 individuals were provided during 2013 and 2012. Coffee and food are also provided at the shelters. The shelter sites are used free of charge except that SHARE is required to pay for utilities and provide liability insurance for activities at the shelter sites. Coffee and food are generally donated.

SHARE operates women's programs, including Women's Housing Equality and Enhancement League (WHEEL), which advocates for homeless women.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement presentation

SHARE reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. There were no permanently restricted net assets at December 31, 2013 or 2012.

Restricted and unrestricted revenue and support

Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Property and equipment

SHARE capitalizes all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over lives of five to seven years.

See Accountant's Review Report

SEATTLE HOUSING AND RESOURCE EFFORT
Notes to Financial Statements
For the Years December 31, 2013 and 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Income tax status

SHARE is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. SHARE qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

Donated facilities and supplies

Donated facilities for shelter sites are used evenings and nights only at such locations as common areas of public buildings, churches and union halls. The value of these facilities has not been recorded in the financial statements as it is not determinable.

Donated food consists of snacks of ready-to-eat leftovers from restaurants. The value of the donated food and coffee has not been recorded in the financial statements as it is not determinable.

Use of estimates in preparation of financial statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

NOTE 3 - CASH AND CASH EQUIVALENTS

For the purpose of the Statement of Cash Flows, SHARE considers all highly liquid Debt instruments purchased with maturities of three months or less to be cash equivalents. At December 31, 2013 and 2012, SHARE had no cash equivalents.

NOTE 4 - LEASE COMMITMENT

SHARE leases office space in Seattle, Washington on an annual basis, at a rental amount of \$3,000. SHARE leases shelter space on a month-to-month basis. Rent expense of \$49,151 (2013) and \$42,965 (2012) is included in occupancy in the financial statements.

See Accountant's Review Report

SEATTLE HOUSING AND RESOURCE EFFORT
Notes to Financial Statements
For the Years Ended December 31, 2013 and 2012

NOTE 5 - CONCENTRATION

SHARE recorded \$ 520,044 (2013) and \$488,388 (2012) in grants and contracts government from the City of Seattle, representing 69% (2013) and 66% (2012) of total support and revenues for those years. There is no guarantee that the contract will be renewed in the future.

NOTE 6 - CONTINGENCIES

Under terms of various grants and contracts, periodic audits are required and certain costs may be disallowed as not being appropriate expenditures. Such audits may result in a liability owed back to the granting agency. There were no assessments made against SHARE during the years ended December 31, 2013 and 2012 for the amounts due back to a granting agency.

SHARE has received donations with specified purposes that have not yet been met. SHARE does not have adequate funds to meet all restrictions imposed by donors.

NOTE 7 - PRIOR YEAR RECLASSIFICATIONS

A few, minor reclassifications from prior years were taken to Net Assets-Unrestricted.

SEATTLE HOUSING AND RESOURCE EFFORT
Schedule of Program Activity for
Women's Housing Equality and Enhancement League
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Contributions	\$ <u>27,713</u>	\$ <u>41,306</u>
Expenses:		
Salaries	10,769	13,582
Employee Benefits	5,275	6,653
Payroll taxes	614	774
Supplies	2,436	3,072
Office, Printing & Postage	306	386
Telephone	3,342	4,215
Occupancy	<u>3,121</u>	<u>3,936</u>
Total Expenses	<u>25,863</u>	<u>32,618</u>
Excess of support and revenue over expenses	\$ <u>1,850</u>	\$ <u>8,688</u>

Note: Tree of Life Project

At December 31, 2013, there remained \$ 10,049 of Temporarily Restricted Funds dedicated for WHEEL / Homeless Remembrance Project activities in the future.

See Accountant's Review Report

The accompanying notes should be read with these financial statement
(The information contained on this page was not specifically subject to Review)