

JOBS OF HOPE, INC.

FINANCIAL STATEMENTS

Year Ended December 31, 2023



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Independent Accountants' Compilation Report

Board of Directors
Jobs of Hope, Inc.
Greeley, Colorado

Management is responsible for the accompanying financial statements of Jobs of Hope, Inc. which comprise the statement of financial position-tax basis as of December 31, 2023 and the related statements of activities-tax basis and functional expenses-tax basis for the year then ended and the related notes to the financial statements in accordance with the tax basis of accounting and for determining that the tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax basis of accounting as described in Note 1 to the financial statements, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Anderson & Whitney, P.C.

April 26, 2024

JOBS OF HOPE, INC.

STATEMENT OF FINANCIAL POSITION - TAX BASIS

December 31	2023
<u>ASSETS</u>	
Current Assets:	
Cash - checking accounts	\$ 38,593
Cash - savings	101,180
Accounts receivable	120
Prepaid expenses and deposits	13,840
Equipment	7,665
TOTAL ASSETS	\$ 161,398
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable	\$ 18,527
Unearned revenue and accrued liabilities	7,800
Total Liabilities	26,327
<u>NET ASSETS</u>	
Without donor restrictions	135,071
TOTAL NET ASSETS	135,071
TOTAL LIABILITIES AND NET ASSETS	\$ 161,398

See Accompanying Notes to Financial Statements and Independent Accountants' Compilation Report.

JOBS OF HOPE, INC.

STATEMENT OF ACTIVITIES - TAX BASIS

Year Ended December 31	2023
Revenue:	
Contributions	\$ 67,597
In-kind contributions	25,848
Grants	256,177
Annual banquet	52,752
Client and program fees	43,077
Miscellaneous	1,152
Total Revenue	446,603
Expenses:	
Salaries	192,952
Payroll taxes and benefits	31,879
Contracted services	50,940
Rent	79,550
Occupancy	40,794
Small equipment and depreciation	2,306
Employee support	4,026
Fundraising	28,684
Client assistance	10,297
Board expenses	3,823
Total Expenses	445,251
Excess of Revenue over Expenses	1,352
Beginning Net Assets	133,719
Ending Net Assets	\$ 135,071

See Accompanying Notes to Financial Statements and Independent Accountants' Compilation Report.

JOBS OF HOPE, INC.

STATEMENT OF FUNCTIONAL EXPENSES - TAX BASIS

Year Ended December 31, 2023	Program Services	Administrative and General	Fundraising	Total
Salaries	\$ 151,775	\$ 9,327	\$ 31,850	\$ 192,952
Payroll taxes and benefits	29,474	555	1,850	31,879
Contracted services	35,465	11,126	4,349	50,940
Rent	74,306	1,527	3,717	79,550
Occupancy	38,104	784	1,906	40,794
Small equipment	2,306	-	-	2,306
Employee support	2,406	1,540	80	4,026
Fundraising	-	-	28,684	28,684
Client assistance	10,297	-	-	10,297
Board expenses	499	3,324	-	3,823
Total Expenses	\$ 344,632	\$ 28,183	\$ 72,436	\$ 445,251

See Accompanying Notes to Financial Statements and Independent Accountants' Compilation Report.

JOBS OF HOPE, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies:

The accounting and reporting policies of Jobs of Hope, Inc. (the Organization) conform to the tax basis of accounting. The following summary of significant accounting policies is presented to assist the reader in evaluating the Organization's financial statements.

Organization:

Jobs of Hope, Inc. was founded in 2013 for the purpose of providing support for Colorado men seeking to reenter the community and obtain a better quality of life. We are a faith-based reentry program focused on working to help men coming out of incarceration and/or gang-involvement leave behind years of legal problems. We believe that through Jesus' love, case management, life skills training, assistance with employment and education we can be a bridge for our participants to reconnect with their families and community and vice-versa, to help our community engage with our participants and share our vision of seeing their potential to become positive and productive members of society.

Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis in accordance with the tax basis of accounting. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Jobs of Hope, Inc. and changes therein are classified and reported as follows:

Net Assets Without Donor Restriction: Net assets with no donor-imposed restrictions or stipulations.

Net Assets With Donor Restriction: Net assets subject to donor-imposed restrictions or stipulations that will be met, either by specific actions taken by Jobs of Hope, Inc. or by passage of time. When a restriction expires, if any, restricted net assets are reclassified to unrestricted and reported in the Statement of Activities as "released from restriction".

Under the tax basis of accounting, revenue is recognized when earned and expenses are recognized when incurred. The tax basis differs from generally accepted accounting principles primarily because contract assets, contract liabilities, and capital leases where ownership of the property does not change are not included in the financial statements.

JOBS OF HOPE, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

Concentrations of Credit Risk:

The Organization's cash accounts are held at financial institutions and at times may be above the insurance limits of the Federal Deposit Insurance Corporation (FDIC). No losses have been incurred on these accounts.

Subsequent Events:

Management has evaluated subsequent events through the date the financial statements were available for issuance, which is the same date as the accountants' compilation report.

Income Taxes:

Jobs of Hope, Inc. is exempt from federal income taxation under the provisions of Internal Revenue Code Section 501(c)(3), and is hereby also exempt from Colorado income taxation. The Internal Revenue Service has classified the organization as "not a private foundation".

Tax penalties and interest, if any, would be classified with income tax expense in the financial statements. No tax penalties or interest have been incurred or are recognized in the financial statements. Generally, three tax years remain subject to examination by tax jurisdictions.

Use of Estimates:

The preparation of financial statements in conformity with the tax basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Expense Allocation:

Expenses directly identifiable with specific programs are charged to program services. Expenses related to more than one function are charged to programs on the basis of estimates. Management and general expenses include those expenses that are not directly identifiable with a specific program service, but provide for the overall support and direction of the Organization.

JOBS OF HOPE, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

Contributions:

Contributions, if any, are recognized as income when donors make promises to give that are, in substance, unconditional. Contributions that are restricted by the donor, if any, are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in restricted net assets depending on the nature of the restrictions. When conditions expire or are met by the organization, restricted net assets are reclassified to unrestricted.

Contributed property and equipment is recorded at fair value at the date of donation. The organization does not have a policy of implying a time restriction on such contributions.

Property and Equipment:

Property assets are recorded at cost or, in the case of donated items, at fair value at the date of donations. Jobs of Hope, Inc. capitalizes assets with initial cost of \$1,000 or more, and depreciates these by the straight-line method over their estimated useful lives. Estimated lives are generally 5-10 years for equipment. Assets with unit costs of less than \$1,000, as well as all repairs and maintenance, are charged to expense in the year purchased or incurred.

Advertising:

Advertising costs, if any, are charged to operations when incurred.

Revenue Recognition:

A portion of the Organization's revenue is derived from cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as unearned revenue in the statement of financial position.

JOBS OF HOPE, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies - Continued:

Contributed Services:

Contributed services are those services which would create or enhance nonfinancial assets, and which would otherwise be purchased. Any such services received by the organization are considered immaterial in relation to the financial statements and have not been valued or recorded for this presentation. These services consist of volunteer services and various types of administrative and technical work.

NOTE 2 – Information Regarding Liquidity and Availability:

Jobs of Hope, Inc. strives to maintain liquid financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table reflects Jobs of Hope, Inc.'s financial assets as of December 31, 2023, reduced by amounts that are not available to meet general expenditures within one year of the Statement of Financial Position date, if any.

December 31	2023
Financial Assets at Year-End:	
Cash – checking and savings	\$ 139,773
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$139,773

NOTE 3 – Related Party Transactions:

The Organization's short-term lease consists of an annual lease of a group home from a board member through February 2023 which has been continued on a month-to-month basis. For the year ended December 31, 2023, total operating lease cost was \$54,000. The lease requires monthly payments of \$4,500.

JOBS OF HOPE, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Donated Services and Materials:

Jobs of Hope, Inc. received donated facilities as follows during the year ended December 31, 2023:

Year Ended December 31, 2023	Program Services	Management and general	Fundraising and development	Total
Rent	\$ 24,144	\$496	\$ 1,208	\$ 25,848
	\$ 24,144	\$496	\$ 1,208	\$ 25,848

Cornerstone Church has provided the use of office space and equipment to Jobs of Hope, Inc. at no cost. Jobs of Hope, Inc. records the office space at estimated rental value on a monthly basis.

NOTE 5 – Concentrations:

Jobs of Hope, Inc. receives revenue from a small number of sources. This condition makes the organization subject to severe reductions in revenue and possible curtailment of program services should one or more of these sources reduce or cease grants and contributions. Three grants provided substantially all grant revenues in fiscal year 2023.
