



LONDON & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS CONSULTANTS
231 FARMINGTON AVENUE

FARMINGTON, CONNECTICUT 06032-1915

TEL. (860) 679-5290 • FAX (860) 679-5292

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Coram Deo, Inc.
New Britain, Connecticut 06052

We have reviewed the accompanying statement of financial position of Coram Deo, Inc. as of June 30, 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously reviewed Coram Deo, Inc.'s financial statements as of and for the year ended June 30, 2019, in our report dated February 15, 2020, were not aware of any material modifications that should be made to those financial statements to be in conformity with accounting principles generally accepted in the United States of America.

Very truly yours,

London & Company, LLC

London & Company, LLC
Certified Public Accountants
February 28, 2021

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
JUNE 30, 2020

I. Independent Accountants' Report.

II. Financial Statements:

Exhibit A - Comparative Statement of Financial Position as of June 30, 2020 and June 30, 2019.

Exhibit B - Statement of Activities and Changes in Net Assets for the Year Ended June 30, 2020 with Comparative Totals for the Year Ended June 30, 2019.

Exhibit C - Statement of Functional Expenses for the Year Ended June 30, 2020 with Comparative Totals for the Year Ended June 30, 2019.

Exhibit D - Comparative Statement of Cash Flows for the Year Ended June 30, 2020 and the Year Ended June 30, 2019

Notes to Financial Statements.

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
COMPARATIVE STATEMENT OF FINANCIAL POSITION

	<u>June 30,</u>	
	<u>2020</u>	<u>2019</u>
		<u>Restated</u>
<u>ASSETS</u>		
<u>Current Assets:</u>		
Cash	\$ 204,798	\$ 7,605
Accounts Receivable	4,981	52,126
Other Receivables	-	239
Prepaid expenses	10,586	10,688
Total Current Assets	<u>220,365</u>	<u>70,658</u>
<u>Property and Equipment:</u>		
Land	260,000	260,000
Building and Improvements	1,707,981	1,707,981
Leasehold Improvements	85,120	85,120
Vehicle	60,920	40,765
Furniture and Fixtures	13,237	13,237
Total Cost	<u>2,127,258</u>	<u>2,107,103</u>
Less: Accumulated Depreciation	308,485	241,734
Net Property and Equipment	<u>1,818,773</u>	<u>1,865,369</u>
<u>TOTAL ASSETS</u>	\$ <u>2,039,138</u>	\$ <u>1,936,027</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities:</u>		
Accounts payable	\$ 12,750	\$ 39,537
Accrued payroll and taxes	11,007	8,843
Deferred revenue	-	33,870
Deposits	1,000	4,610
Refundable advance	166,334	-
Accrued interest and taxes	114,686	46,603
Lease Payable	37,720	36,032
Notes Payable	6,089	7,649
Total Current Liabilities	<u>349,586</u>	<u>177,144</u>
Long-Term Debt	<u>1,788,826</u>	<u>1,795,666</u>
<u>Net Assets:</u>		
With Out Donor Restrictions (Deficit)	(99,274)	(36,783)
With Donor Restrictions	-	-
Total Net Assets	<u>(99,274)</u>	<u>(36,783)</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	\$ <u>2,039,138</u>	\$ <u>1,936,027</u>

See Accompanying Notes and Independent Accountants' Review Report

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020, WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED JUNE 30, 2019

	<u>With Out</u> <u>Donor</u> <u>Restrictions</u>	<u>With</u> <u>Donor</u> <u>Restrictions</u>	<u>Totals</u> <u>2020</u>	<u>Totals</u> <u>2019</u> <u>Restated</u>
<u>Revenue and Support:</u>				
Client Service Revenue	\$ 383,171	\$ -	\$ 383,171	\$ 357,649
Grants	189,974	-	189,974	89,130
Contributions	60,726	-	60,726	68,611
Corporate Sponsors	11,450	-	11,450	14,476
Other Revenue	-	-	-	9
Net assets released from restrictions:				
Satisfaction of Program Restrictions	-	-	-	-
<u>Total Revenue and Support</u>	<u>645,321</u>	<u>-</u>	<u>645,321</u>	<u>529,875</u>
<u>Expenses:</u>				
Program	592,125	-	592,125	591,862
Management & General	53,716	-	53,716	75,925
Development & Fundraising	63,510	-	63,510	7,771
<u>Total Expenses</u>	<u>709,351</u>	<u>-</u>	<u>709,351</u>	<u>675,558</u>
<u>Change in Net Assets</u>	<u>(64,030)</u>	<u>-</u>	<u>(64,030)</u>	<u>(145,683)</u>
<u>Gain (Loss) on Sale of Property</u>	<u>1,539</u>	<u>-</u>	<u>1,539</u>	<u>(77,380)</u>
<u>Net Assets - Beginning</u>	<u>(36,783)</u>	<u>-</u>	<u>(36,783)</u>	<u>186,280</u>
<u>Net Assets - Ending</u>	<u>\$ (99,274)</u>	<u>\$ -</u>	<u>\$ (99,274)</u>	<u>\$ (36,783)</u>

See Accompanying Notes and Independent Accountants' Review Report

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020, WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED JUNE 30, 2019

	Program Expenses	Management & General	Development & Fundraising	Totals	
	2020	2019		2020	2019
Salaries	\$ 168,420	\$ 15,063	\$ 42,259	\$ 225,742	\$ 148,848
Payroll taxes and Fringe	17,209	1,356	3,803	22,368	16,122
Total Salaries and Fringe Benefits	<u>185,629</u>	<u>16,419</u>	<u>46,062</u>	<u>248,110</u>	<u>164,970</u>
Occupancy	5,250	5,250	-	10,500	24,900
Communication expense	7,743	3,965	-	11,708	11,193
Property Repairs and Maintenance	31,227	-	-	31,227	35,321
Office supplies	10,169	6,205	1,059	17,433	16,724
Postage	507	884	2,619	4,010	1,845
Utilities	61,432	-	-	61,432	64,990
Bank fees	295	6,054	102	6,451	4,521
Vehicle expense	7,689	41	-	7,730	19,197
Insurance	30,434	3,834	588	34,856	27,390
Printing	918	267	5,712	6,897	2,589
Technology costs	4,154	1,398	-	5,552	3,825
Conferences, conventions & meetings	1,940	1,090	-	3,030	2,838
Food share	50	-	-	50	1,008
Professional fees and consultants	2,210	872	1,280	4,362	20,722
Bookeeping Services	7,432	6,165	4,698	18,295	25,970
Furniture and equipment	7,443	-	-	7,443	12,810
Interest	105,831	61	-	105,892	118,905
Client Care and Assistance	8,254	-	-	8,254	6,308
Client Recreation	9,252	-	-	9,252	10,151
Drug Testing	4,569	-	-	4,569	3,375
Property taxes	16,018	-	-	16,018	11,230
Training, Education and Books	2,999	356	366	3,721	2,779
Depreciation	80,400	-	-	80,400	79,534
Advertising and Promotions	280	855	1,024	2,159	2,462
Total Expenses	<u>592,125</u>	<u>\$ 53,716</u>	<u>\$ 63,510</u>	<u>\$ 709,351</u>	<u>\$ 675,557</u>

See Accompanying Notes and Independent Accountants' Review Report

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
COMPARATIVE STATEMENT OF CASH FLOWS
Increase (Decrease) in Cash

	<u>For the Years Ended</u>	
	<u>June 30,</u>	
	<u>2020</u>	<u>2019</u>
		<u>Restated</u>
<u>Cash Flows From Operating Activities:</u>		
Change in net assets	\$ (62,491)	\$ (223,063)
Adjustments to reconcile excess of revenues over expenses to net cash used in operating activities:		
Depreciation and Amortization	80,400	79,534
Book value of assets sold	5,850	103,020
Change in assets and liabilities:		
Increase Decrease in Assets and Liabilities:		
Accounts receivable	47,145	16,067
Other receivables	239	12,561
Prepaid expenses	102	(4,554)
Deposits	-	1,900
Accounts payable	(26,787)	(26,144)
Accrued payroll and taxes	2,164	(9,247)
Deferred revenue	(33,870)	33,870
Accrued interest and taxes	68,083	46,603
Refundable advance	166,334	-
Deposits	(3,610)	4,610
Total Adjustments	<u>306,050</u>	<u>258,220</u>
Net Increase (Decrease) in Cash	<u>243,559</u>	<u>35,157</u>
<u>Cash Flows Used In Investing Activities:</u>		
Purchase of property and equipment	(39,655)	(17,290)
<u>Cash Flows Provided By Financing Activities:</u>		
Loan Proceeds	38,655	18,765
Principal payments	(45,366)	(39,790)
Net Cash Used In Financing Activities	(6,711)	(21,025)
<u>Increase (Decrease) in Cash</u>	197,193	(3,158)
<u>Cash at the Beginning of Year</u>	<u>7,605</u>	<u>10,763</u>
<u>Cash at the End of Year</u>	<u>\$ 204,798</u>	<u>\$ 7,605</u>
<u>Supplemental Disclosure of Cash Flow Information:</u>		
Cash paid during the year:		
Interest	\$ 53,827	\$ 79,811
Income taxes	\$ -	\$ -

See Accompanying Notes and Independent Accountants' Review Report

CORAM DEO, INC.
NEW BRTIAN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS

Note 1 - Organization:

Coram Deo, Inc. (the "Organization") is a non-profit organization, established in the State of Connecticut in 2007. The Organization operates a Christ-centered transitional living and supportive housing program for women over 18 in the Greater Central Connecticut area.

Note 2 - Accounting Policies:

Comparative Financial Statements:

The financial statements include certain prior-year summarized comparative information in total, however, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statement for the year ended June 30, 2019, from which the summarized information was derived.

Depreciation:

Equipment and property acquired by the Organization has been capitalized at cost, or at estimated fair market value at the date of donation. Depreciation is provided for over three, five and ten years, utilizing the straight-line method. For the years ended June 30, 2020 and June 30, 2019, depreciation expense was \$80,400 and \$79,534, respectively. The total cost and related accumulated depreciation for the years ended June 30, 2020 and June 30, 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Land	\$ 260,000	\$ 260,000
Buildings and improvements	1,707,981	1,707,981
Leasehold improvements	85,120	85,120
Vehicle	60,920	40,765
Furniture, fixtures and equipment	<u>13,237</u>	<u>13,237</u>
Total Cost	2,127,258	2,107,103
Less: Accumulated depreciation	<u>308,485</u>	<u>241,734</u>
Total (net)	\$ <u>1,818,773</u>	\$ <u>1,865,369</u>

The Organization capitalizes, at cost, all expenditures for equipment and improvements in excess of \$2,000.

Use of Estimates:

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

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 2 - Accounting Policies (Continued):

Tax Status:

The Organization is a not-for-profit voluntary health and welfare agency exempt from income tax under Section 501(c)(3) of the U. S. Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the U.S. Internal Revenue Code. There was no unrelated business income for 2020 and 2019. Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the financial statements. The federal information returns of the Organization are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

Basis of Presentation:

The accompanying financial statements of the Organization have been prepared utilizing the accrual basis method of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization, as well as changes therein, are classified and reported as follows:

Without Donor Restrictions

Net assets that are not subject to donor-imposed stipulations.

With Donor Restrictions

Net assets subject to donor-imposed stipulations that may, or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets are reclassified to net assets without donor restrictions and are reported in the statement of activities as "net assets released from restrictions."

Recognition of Restricted Grant Revenues:

Revenues restricted by the donor, grantor, board of directors or any other outside party for particular operating purposes, are deemed to be earned and are reported as revenues currently. Funds available at year-end, which are to be carried over into the subsequent fiscal year, are reflected as Temporarily Restricted Net Assets.

Advertising:

The Organization's policy is to expense advertising costs as the costs are incurred.

Deferred Revenue and Deposits:

Amounts recorded as deferred revenue and deposits consist of fees received in advance of billings.

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 3 - Cash and Cash Equivalents:

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use, with an initial maturity of three months or less when purchased, to be cash equivalents.

Note 4 - Method Used For Allocation of Expenses:

The Organization general approach to cost allocations is as follows: allowable direct costs are charged directly to programs, grants, activity, etc. Costs that can be identified to more than one program are prorated individually as direct costs using a base most appropriate to the cost being prorated. All other costs (i.e. general and administrative) are allocated using a base that results in an equitable distribution.

Note 5 - Donated Facility and Services:

The Organization receives, at times, donated food, materials and volunteer assistance from various sources. For donated food, materials and services where no objective basis of valuation exists for all such items and hours, they are not reflected in the accompanying financial statements. Management estimates it received donated services valued at approximately \$10,000.

Note 6 - Evaluation of Subsequent Events:

Management has evaluated subsequent events through February 28, 2021, the date which the financial statements were available to be issued.

On January 30, 2020, the World Health Organization declared the coronavirus to be a public health emergency. Given regulatory restrictions since the outbreak was announced, the situation creates uncertainty about the impact on future revenues that might be generated or expenses incurred. Due to the unknown duration and extent of the outbreak, the Organization is unable to determine the impact it might have on future operations and financial performance.

Note 7 - Liquidity and Availability of Financial Assets:

The Organization is funded by contributions from donors that contain restrictions. Those restrictions require that resources be used in a certain manner or in a future period. Therefore, the Organization must maintain adequate resources to meet those responsibilities to its donors and certain financial assets may not be available for general expenditures within one year. The Organization has approximately \$220,365 of financial assets available within one year of the statement of financial position to meet cash needs for general expenditures, consisting of cash of \$204,798, \$4,981 in accounts receivable and \$10,586 in prepaid expenses. \$0 of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. As part of liquidity management, the Organization structures its financial assets to be available as general expenditures, liabilities and other obligations become due.

CORAM DEO, INC.
 NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
 (Continued)

Note 8 - Capital Lease Payable:

	<u>2020</u>	<u>2019</u>
Note payable 6.0% interest in monthly payments of principal and interest totaling \$1,920.42 through April 2044. The note is secured by a building.	\$ 295,449	\$ 297,632
Note payable, 6.0% interest in monthly payments of principal and interest totaling \$1,557.42 through January 2043. The note is secured by a building.	231,186	235,466
Note payable, 6.0% interest in monthly payments of principal and interest totaling \$2,976.41 through April 2035. The note is secured by a building.	358,689	364,516
Note payable, 6.0% interest in monthly payments of principal and interest totaling \$2,389 through April 2048. The note is secured by a building.	387,439	392,684
Note payable to a bank, 5.0% interest in monthly payments of principal and interest totaling \$3,147.62 through April 2048. The loan is secured by a building.	<u>524,997</u>	<u>524,997</u>
Total	1,797,760	1,815,295
Less: Current portion	<u>37,720</u>	<u>36,032</u>
Long-Term Debt	<u>\$ 1,760,040</u>	<u>\$ 1,779,263</u>

The principal maturities of long term debt as of June 30, 2020 are as follows:

June 30, 2022	\$ 39,530
June 30, 2023	41,375
June 30, 2024	43,265
June 30, 2025	45,439
June 30, 2026	47,650
Thereafter	<u>1,542,781</u>
Total	<u>\$ 1,760,040</u>

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 9 - Note Payable:

	<u>2020</u>	<u>2019</u>
Note payable to bank, 4.75% interest in monthly payments of principal and interest totaling \$367 through March 2021. The loan is secured by a vehicle.	\$ -	\$ 8,057
Note payable to a bank, 5.5% interest in monthly payments of principal and interest totaling \$359 through July 2023. The loan is secured by a vehicle.	-	15,995
Note payable to a bank, 8.54% interest in monthly payments of principal and interest totaling \$738.62 through May 2025. The loan is secured by a vehicle.	<u>34,875</u>	<u>-</u>
Total	34,875	24,052
Less: Current portion	<u>6,089</u>	<u>7,649</u>
Long-Term Debt	\$ <u>28,786</u>	\$ <u>16,403</u>

The principal maturities of long term debt as of June 30, 2020 are as follows:

June 30, 2022	\$ 6,629
June 30, 2023	7,218
June 30, 2024	7,859
June 30, 2025	<u>7,080</u>
Total	\$ <u>28,786</u>

Note 10 - Leased Operating Facilities:

The Organization leases its office space and transitional housing facilities under various lease agreements, which are on month to month basis. Rental expense for the years ended June 30, 2020 and 2019 was \$10,500 and \$24,900, respectively.

Note 11 - Refundable Advances:

Refundable advances are revenues from government grants, billed or received, which have not been earned as of June 30, 2020 consisted of \$166,334 from the Small Business Administration.

Refundable advances include government contract grants that are on a different fiscal year than the Organization. Management anticipates that \$16,434 currently included in refundable advances will be expensed within the contract period and \$149,900 will be returned to the Small Business Administration.

CORAM DEO, INC.
NEW BRITAIN, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 12 - Restated Financials:

The June 30, 2019 financial statements were restated to reflect additional interest expense and property taxes of \$39,094 and \$7,509, respectively. As a result, change in net assets decreased \$46,603, total expenses increased \$46,603.