



**CAHILL**

**& ASSOCIATES, PC**

CERTIFIED PUBLIC ACCOUNTANTS

**Boulder County RSVP Board, Inc. dba**

**CULTIVATE**

Financial Statements

December 31, 2018 and 2017

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**Independent Auditors Report**

Board of Directors  
Cultivate  
Boulder, Colorado

We have audited the accompanying financial statements of Boulder County RSVP Board, Inc. (a nonprofit organization), doing business as Cultivate, which are comprised of the statements of financial position as of December 31, 2018 and 2017, the related statements of activities, functional expenses, and cash flows for the years then ended and related notes to the financial statements.

**Managements Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors Responsibility**

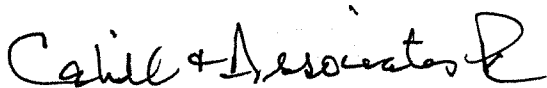
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 Organizations internal controls. 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 opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cultivate as of December 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



CAHILL & ASSOCIATES, P.C.  
March 8, 2019

**Boulder County RSVP Board, Inc. dba  
CULTIVATE  
Statements of Financial Position  
December 31, 2018 and 2017**

<b>ASSETS</b>		
	<u>2018</u>	<u>2017</u>
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 349,149	\$ 359,833
Accounts Receivable	14,004	6,573
Prepaid Expenses	<u>9,453</u>	<u>15,467</u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>372,606</b></u>	<u><b>381,873</b></u>
<b>PROPERTY AND EQUIPMENT</b>		
Property and Equipment	44,057	41,176
Less Accumulated Depreciation	<u>(30,514)</u>	<u>(25,179)</u>
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<u><b>13,543</b></u>	<u><b>15,997</b></u>
<b>OTHER ASSETS</b>		
Security Deposits	3,842	3,842
Beneficial Interest in Assets Held by Others	<u>14,876</u>	<u>16,492</u>
<b>TOTAL OTHER ASSETS</b>	<u><b>18,718</b></u>	<u><b>20,334</b></u>
<b>TOTAL ASSETS</b>	<u><b>\$ 404,867</b></u>	<u><b>\$ 418,204</b></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 4,287	\$ 8,717
Accrued Vacation	1,390	-
Accrued Payroll and Payroll taxes	<u>11,952</u>	<u>4,919</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>17,629</b>	<b>13,636</b>
<b>NET ASSETS</b>		
Without Donor Restrictions		
Operating	308,819	322,079
Board Designated Operating Reserve	50,000	50,000
Net Investment in Fixed Assets	13,543	15,997
With Donor Restrictions	<u>14,876</u>	<u>16,492</u>
<b>TOTAL NET ASSETS</b>	<u><b>387,238</b></u>	<u><b>404,568</b></u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 404,867</b></u>	<u><b>\$ 418,204</b></u>

See Accompanying Notes to Financial Statements

**Boulder County RSVP Board, Inc. dba  
CULTIVATE**  
Statements of Activities  
Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions		Total
		Temporarily Restricted	Permanently Restricted	
<b>SUPPORT AND REVENUE</b>				
Private Grants	\$ 168,595	\$ -	\$ -	\$ 168,595
State and Local Governments	282,328	-	-	282,328
Individual and Corporate Donations	92,260	-	-	92,260
Federal Funding	80,964	-	-	80,964
Special Events	36,052	-	-	36,052
United Way	613	-	-	613
Interest Income	1,163	-	339	1,502
In-Kind Donations	6,452	-	-	6,452
Realized Gain on Disposal of Assets	-	-	295	295
Unrealized (Gain)/ Loss on Beneficial Interest	-	-	(1,266)	(1,266)
Net Assets Released from Restrictions	984	-	(984)	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>669,411</b>	<b>-</b>	<b>(1,616)</b>	<b>667,795</b>
<b>EXPENSES</b>				
Program Services	456,398	-	-	456,398
Fundraising	78,937	-	-	78,937
General and Administrative	149,790	-	-	149,790
<b>TOTAL EXPENSES</b>	<b>685,125</b>	<b>-</b>	<b>-</b>	<b>685,125</b>
<b>CHANGE IN NET ASSETS</b>	<b>(15,714)</b>	<b>-</b>	<b>(1,616)</b>	<b>(17,330)</b>
<b>NET ASSETS - Beginning of Year</b>	<b>388,076</b>	<b>-</b>	<b>16,492</b>	<b>404,568</b>
<b>NET ASSETS - End of Year</b>	<b>\$ 372,362</b>	<b>\$ -</b>	<b>\$ 14,876</b>	<b>\$ 387,238</b>

Boulder County RSVP Board, Inc. dba  
**CULTIVATE**  
 Statements of Activities  
 Year Ended December 31, 2017

	Without Donor Restrictions	With Donor Restrictions		Total
		Temporarily Restricted	Permanently Restricted	
<b>SUPPORT AND REVENUE</b>				
Private Grants	\$ 90,455	\$ -	\$ -	\$ 90,455
State and Local Governments	262,666	-	-	262,666
Individual and Corporate Donations	149,899	-	-	149,899
Federal Funding	84,464	-	-	84,464
Special Events	30,514	-	-	30,514
United Way	66	-	-	66
Interest Income	310	-	317	627
In-Kind Donations	20,014	-	-	20,014
Realized Gain on Disposal of Assets	-	-	709	709
Unrealized Loss on Beneficial Interest	-	-	970	970
Net Assets Released from Restrictions	134,022	(133,000)	(1,022)	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>772,410</b>	<b>(133,000)</b>	<b>974</b>	<b>640,384</b>
<b>EXPENSES</b>				
Program Services	405,255	-	-	405,255
Fundraising	91,105	-	-	91,105
General and Administrative	118,921	-	-	118,921
<b>TOTAL EXPENSES</b>	<b>615,281</b>	<b>-</b>	<b>-</b>	<b>615,281</b>
<b>CHANGE IN NET ASSETS</b>	<b>157,129</b>	<b>(133,000)</b>	<b>974</b>	<b>25,103</b>
<b>NET ASSETS - Beginning of Year</b>	<b>230,947</b>	<b>133,000</b>	<b>15,518</b>	<b>379,465</b>
<b>NET ASSETS - End of Year</b>	<b>\$ 388,076</b>	<b>\$ -</b>	<b>\$ 16,492</b>	<b>\$ 404,568</b>

See Accompanying Notes to Financial Statements

Boulder County RSVP Board, Inc. dba

CULTIVATE

Statements of Functional Expenses

Year Ended December 31, 2018

	<u>Program Services</u>	<u>Fundraising Expenses</u>	<u>General Administrative Expenses</u>	<u>Total</u>
Salaries	\$ 299,124	\$ 47,230	\$ 47,230	\$ 393,584
Payroll Taxes & Benefits	19,072	3,859	50,359	73,290
Advertising/Outreach	25,956	2,021	3,638	31,615
Occupancy	30,938	-	20,731	51,669
Postage & Printing	1,018	-	1,291	2,309
Professional Services	12,680	-	9,416	22,096
Direct Fundraising Expense	1,211	19,050	4,661	24,922
Volunteer Transportation	26,738	325	(3)	27,060
Insurance	14,011	-	-	14,011
Telephone	3,857	-	1,753	5,610
Volunteer Recognition	1,833	-	22	1,855
Staff Acknowledgment	72	-	1,672	1,744
Program/Office Supplies	866	-	4,985	5,851
Dues & Licenses	2,019	-	425	2,444
Background Checks	2,621	-	159	2,780
Bank & Credit Card Fees	573	-	197	770
Recruiting	-	-	132	132
Software & Support	3,127	-	2,267	5,394
Other Expenses	-	-	-	-
Repair & Maintenance	207	-	630	837
Tools & Supplies	3,286	-	5	3,291
Conferences/Meetings	1,855	-	220	2,075
In-Kind Expense	-	6,452	-	6,452
Depreciation	5,334	-	-	5,334
<b>TOTAL EXPENSES</b>	<b>\$ <u>456,398</u></b>	<b>\$ <u>78,937</u></b>	<b>\$ <u>149,790</u></b>	<b>\$ <u>685,125</u></b>

See Accompanying Notes to Financial Statements

Boulder County RSVP Board, Inc. dba

CULTIVATE

Statements of Functional Expenses

Year Ended December 31, 2017

	<u>Program Services</u>	<u>Fundraising Expenses</u>	<u>General Administrative Expenses</u>	<u>Total</u>
Salaries	\$ 267,790	\$ 42,283	\$ 42,282	\$ 352,355
Payroll Taxes & Benefits	20,239	3,569	21,217	45,025
Advertising/Outreach	5,425	1,536	525	7,486
Occupancy	33,138	243	20,341	53,722
Postage & Printing	1,319	618	856	2,793
Professional Services	12,291	982	16,362	29,635
Direct Fundraising Expense	101	23,925	119	24,145
Volunteer Transportation	25,954	510	221	26,685
Insurance	13,343	-	-	13,343
Telephone	2,482	467	3,314	6,263
Volunteer Recognition	1,754	-	106	1,860
Staff Acknowledgment	42	-	2,019	2,061
Program/Office Supplies	996	193	5,431	6,620
Dues & Licenses	2,798	-	20	2,818
Background Checks	2,572	-	297	2,869
Bank & Credit Card Fees	428	8	330	766
Equipment	-	24	261	285
Software & Support	2,332	1,170	1,651	5,153
Other Expenses	-	-	2,417	2,417
Repair & Maintenance	45	-	966	1,011
Tools & Supplies	4,012	35	-	4,047
Conferences/Meetings	2,319	650	186	3,155
In-Kind Expense	-	14,892	-	14,892
Depreciation	5,875	-	-	5,875
<b>TOTAL EXPENSES</b>	<b>\$ <u>405,255</u></b>	<b>\$ <u>91,105</u></b>	<b>\$ <u>118,921</u></b>	<b>\$ <u>615,281</u></b>

See Accompanying Notes to Financial Statements



Boulder County RSVP Board, Inc. dba  
**CULTIVATE**  
 Statements of Cash Flows  
 Years Ended December 31, 2018 and 2017

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Support and Revenue Received	\$ 661,335	\$ 768,718
Salaries and Operating Expenses Paid	(669,784)	(614,225)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(8,449)</b>	<b>154,493</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Reinvested Investment Earnings (Net)	645	705
Purchase of Property and Equipment	(2,880)	(14,309)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>(2,235)</b>	<b>(13,604)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(10,684)</b>	<b>140,889</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	<b>359,833</b>	<b>218,944</b>
<b>CASH AND CASH EQUIVALENTS - End of Year</b>	<b>\$ 349,149</b>	<b>\$ 359,833</b>
 <b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Change in Net Assets	<b>\$ (17,330)</b>	<b>\$ 25,103</b>
<b>Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:</b>		
Depreciation and Amortization	5,334	5,875
Gain on Disposal of Assets	(295)	(709)
Unrealized (Gain) Loss on Beneficial Interest	1,266	(970)
<b>Changes in Operating Assets and Liabilities:</b>		
Increase in Accounts Receivable	(7,431)	(2,987)
Decrease in Pledges Receivable	-	133,000
(Increase) Decrease in Prepaid Expenses	6,014	(2,878)
Decrease in Security Deposits	-	2,323
(Increase) Decrease in Accounts Payable	(4,430)	803
(Increase) Decrease in Accrued Payroll and Payroll Taxes	8,423	(5,067)
Total Adjustments	<b>8,881</b>	<b>129,390</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (8,449)</b>	<b>\$ 154,493</b>

See Accompanying Notes to Financial Statements

**Boulder County RSVP Board, Inc. dba  
CULTIVATE**  
Notes to Financial Statements  
December 31, 2018 and 2017

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**NOTE 1 - ORGANIZATION AND ACTIVITIES**

Boulder County RSVP Board, Inc. began operating as Cultivate during the current year. This change was made in order to more accurately define that the organization is an independent charitable organization that provides services to surrounding areas beyond Boulder County.

Cultivate (the Organization) was established to serve the communities in Boulder and surrounding counties by providing staff and volunteer services to the growing senior population. The mission is to connect volunteer-powered services to adults 60+, helping them stay in the comfort of their home. Volunteer placements are designed to promote positive self-esteem, physical and emotional well-being and avoid inappropriate institutional care by providing community-based care. The Organization is primarily supported by private grants, individual and corporate donations and government contracts. The Organization operates the following major programs:

**Senior Programs** - Provides free services to seniors and disabled adults including Carry Out Caravan (shopping for homebound), Fix-It Services, Companionship Services, File of Life (emergency information for first response teams), transportation, holiday gift programs, community service and educational programs.

**Volunteer Support** - Provides volunteer services to non-profit, governmental and nonproprietary health agencies in Boulder and surrounding counties.

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The Organization's financial statements are prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions by classifying fund balances and transactions into the following classes of net assets:

Unrestricted Net Assets – Net assets available for the Organization's stated purposes without restriction

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may be met by appropriate use and/or by the passage of time

Permanently Restricted Assets - Net assets that are permanently restricted as to access for use by the Organization

Cash and Cash Equivalents

The Organization considers all liquid investments with an original maturity of three months or less to be cash equivalents. For purposes of these financial statements, cash and cash equivalents are comprised of demand deposits and money market accounts.

Accounts Receivable

The Organization states accounts receivables at the amount management expects to collect from outstanding balances. A provision is made for estimated uncollectible accounts when deemed applicable.

Pledges Receivable

Pledges receivable are unconditional promises to give made by individuals. Pledges receivable are reported at fair value in the period the promise is made. All outstanding pledges receivable were collected in 2017.

**Boulder County RSVP Board, Inc. dba  
CULTIVATE**  
Notes to Financial Statements  
December 31, 2018 and 2017

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES CONTINUED**

Investments

Cultivate reports its investments at fair values. When applicable, unrealized gains or losses are reported in the statement of activities.

Property and Equipment

Property and equipment is stated at cost or estimated value if donated and depreciated over estimated useful lives ranging from three to five years using the straight-line method. Expenditures for maintenance, repairs and minor replacements are charged to operations; expenditures for major replacements and betterments that exceed \$500 are capitalized.

Contributions and Grants

Contributions and grants received are recorded as unrestricted or temporarily restricted support, depending on the existence or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily restricted net assets. When a restriction expires (a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted.

Donated Services and Materials

Donated goods and services which meet specific criteria are recorded at fair market value as of the date of donation. Accounting principles allow for the recognition of donation for services received if those services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteer and donated services that meet these requirements are recorded in the financial statements

Expense Allocation

Expenses are charged directly to program services and fundraising based on the character of the costs. Payroll and related payroll costs are allocated based on evaluation of time utilized. Rent expense is allocated based on area usage. General and Administrative Expense include costs that are not directly identifiable with a specific program function and provide for the overall support and direction of the Organization.

Use of Estimates

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

Tax Exempt Status

Cultivate has previously received notice from the Internal Revenue Service of exemption from income tax under Section 501(c)(3) of the Internal Revenue Code and is not considered a private foundation under Section 509(a) of the Internal Revenue Code of 1986. As such, donors are entitled to a charitable deduction for their contributions to Cultivate.

Advertising Costs

The Organization uses advertising to promote its programs among audiences it serves. Advertising costs are expensed as incurred.

Compensated Absences

The employees of the Organization are eligible for paid vacation time depending on the length of services and other factors. Employees may carryover up to 40 hours of unused vacation time, which must be used by March 31<sup>st</sup> of the following year.

**Boulder County RSVP Board, Inc. dba  
CULTIVATE**  
Notes to Financial Statements  
December 31, 2018 and 2017

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES CONTINUED**

Subsequent Events

Management has evaluated all subsequent events through March 8, 2019 which is the date the financial statements were available to be issued.

**NOTE 3 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31:

	<u>2018</u>	<u>2017</u>
Computer & Software	\$ 25,742	\$ 22,861
Equipment	8,264	8,264
Furniture	6,034	6,034
Leasehold Improvements	<u>4,017</u>	<u>4,017</u>
	44,057	41,176
Less Accumulated Depreciation	<u>(30,514)</u>	<u>(25,179)</u>
Net Property and Equipment	\$ <u>13,543</u>	\$ <u>15,997</u>

**NOTE 4 - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS**

The Organization has an endowment fund as a component of The Community Foundation Serving Boulder County. Under the terms of the endowment, the Organization may use the investment earnings, request up to 5% of the designated portions of the endowment each year or may reinvest all or part of the earnings with the foundation.

The fund is stated at fair value. Following is a summary of the fund activity for the years ending December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Balance, Beginning of Year	\$ 16,492	15,518
Dividend and Interest Income	339	317
Net Appreciation (Depreciation) of Assets	(971)	1,679
Transfers to Operating account	<u>(984)</u>	<u>(1,022)</u>
Total Investment Return (Loss)	<u>(1,616)</u>	<u>974</u>
Balance, End of Year	\$ <u>14,876</u>	\$ <u>16,492</u>

Additionally, the Community Foundation maintains a separate fund matching donations designated on behalf of Cultivate. As receipt of the funds is conditional upon uncertain future events, this fund is not considered the property of Cultivate and is not recognized within these financial statements. As of December 31, 2018 and 2017 the designated portion of the fund was \$16,060 and \$17,805 respectively.

**NOTE 5 - BOARD DESIGNATED OPERATING RESERVE**

The Board of Directors has designated an operating reserve of \$50,000 to cover costs during times of unanticipated needs or funding declines.

**Boulder County RSVP Board, Inc. dba**

**CULTIVATE**

Notes to Financial Statements

December 31, 2018 and 2017

**NOTE 6 - SPECIAL EVENTS**

Special event revenues and expenses consisted of the following for at the years ended December 31:

	<u>2018</u>	<u>2017</u>
Special Event Revenue	\$ 36,052	\$ 30,514
Less Direct Expense	(19,050)	(23,925)
Total Special Event Income	<u>\$ 17,002</u>	<u>\$ 6,589</u>

**NOTE 7 - IN-KIND CONTRIBUTIONS**

Accounting principles for charitable organizations recognize the value of donated services in the financial statements if those services (a) create or enhance long-lived assets; or (b) require specialized skills, is provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Most of the volunteer services provided to Cultivate do not meet these criteria. During the years ending December 31, 2018 and 2017, the Organization received approximately 25,809 and 26,658 volunteer hours, respectively.

Donated services and goods are reflected in the financial statements at their estimated values at date of receipt. The value of donated services and materials are included in the financial statements as Support and Revenue with corresponding expenses of \$6,452 and \$20,014 (including rent expense of \$5,122) for the years ending December 31, 2018 and 2017 respectively.

**NOTE 8 – EMPLOYEE BENEFIT PLANS**

The Company maintains a retirement savings plan under Section 401(k) of the U.S. Internal Revenue Code. This plan covers all full time employees. The Organization matches employee contributions up to 3% of the employee's gross wages. For December 31, 2018 and 2017, the Organization contributed \$6,343 and \$4,936 respectively. All administrative costs associated with this plan are covered by the Company.

**NOTE 9 - LEASE COMMITMENTS**

The Organization leases office space in Boulder, Colorado. On January 1, 2017 the Organization entered into a lease agreement for rental property in the Gunbarrel area of Boulder. The lease term began January 1, 2017 and terminates on February 28, 2022, with rental payments due on the first of each month beginning March 1, 2017.

Lease expense was \$32,903 and \$37,343 for the years ended December 31, 2018 and 2017, respectively and is included with utilities in occupancy expenses on the Statements of Functional Expenses.

Future minimum lease payments are as follows:

2019	\$ 33,096
2020	34,278
2021	35,460
2022	<u>6,107</u>
	<u>\$ 108,941</u>

**Boulder County RSVP Board, Inc. dba  
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Notes to Financial Statements  
December 31, 2018 and 2017

**NOTE 10 - CONCENTRATIONS**

For cash management purposes, the Organization concentrates its cash holdings at a commercial bank. From time to time, the balance in these accounts may exceed the federally insured limit of \$250,000 by the Federal Deposit Insurance Corporation. At December 31, 2018 and 2017 there were no amounts over the \$250,000 F.D.I.C. insurance limit.

For the years ending December 31, 2018 and 2017 approximately 54% and 55% respectively of the Organizations revenue is derived from grants from the federal, state and local governments. The current level of the Organizations operating program services may be impacted or segments discontinued if the funding is not renewed.