

Dress for Success Cincinnati and Affiliate

**Consolidated Financial Statements
with Supplementary Information
December 31, 2019 and 2018, and
Independent Auditors' Report**

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE
December 31, 2019 and 2018

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Independent Auditors' Report

The Board of Directors
Dress for Success Cincinnati and Affiliate
Cincinnati, Ohio

We have audited the accompanying consolidated financial statements of Dress for Success Cincinnati and Affiliate (non-profit organizations), which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity'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 consolidated 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 above present fairly, in all material respects, the financial position of Dress for Success Cincinnati and Affiliate as of December 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Independent Auditor's Report
(Continued)**

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 14 to 19 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Barnes, Dennig & Co., Ltd.

May 8, 2020
Cincinnati, Ohio

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidated Statements of Financial Position December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Cash and cash equivalents	\$ 530,020	\$ 409,993
Pledges, grants and other receivables	3,337	4,556
Donated inventory	204,248	220,991
Prepaid expenses and other assets	9,278	12,233
Property and equipment, net	<u>31,292</u>	<u>54,200</u>
Total assets	<u><u>\$ 778,175</u></u>	<u><u>\$ 701,973</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 6,747	\$ 18,670
Straight-line rent liability	<u>78,196</u>	<u>86,203</u>
Total liabilities	<u>84,943</u>	<u>104,873</u>
Net Assets		
Without donor restrictions	598,281	464,697
With donor restrictions	<u>94,951</u>	<u>132,403</u>
Total net assets	<u>693,232</u>	<u>597,100</u>
Total liabilities and net assets	<u><u>\$ 778,175</u></u>	<u><u>\$ 701,973</u></u>

See accompanying notes to consolidated financial statements

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidated Statement of Activities Year Ended December 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue			
Grants and contributions	\$ 351,409	\$ 10,000	\$ 361,409
Special events	295,200	-	295,200
Boutique sales	177,096	-	177,096
Donated inventory	90,750	-	90,750
Fee for service and other	7,450	-	7,450
Released from restriction	47,452	(47,452)	-
	<u>969,357</u>	<u>(37,452)</u>	<u>931,905</u>
Total support and revenue			
Expenses			
Program	621,632	-	621,632
Management and general	74,094	-	74,094
Fundraising	140,047	-	140,047
	<u>835,773</u>	<u>-</u>	<u>835,773</u>
Total expenses			
Change in net assets	133,584	(37,452)	96,132
Net assets, beginning of year	<u>464,697</u>	<u>132,403</u>	<u>597,100</u>
Net assets, end of year	<u>\$ 598,281</u>	<u>\$ 94,951</u>	<u>\$ 693,232</u>

See accompanying notes to consolidated financial statements

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidated Statement of Activities Year Ended December 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue			
Grants and contributions	\$ 282,505	\$ 17,000	\$ 299,505
Special events	218,991	-	218,991
Boutique sales	169,563	-	169,563
Donated inventory	183,385	-	183,385
Fee for service and other	3,563	-	3,563
Released from restriction	121,926	(121,926)	-
	<u>979,933</u>	<u>(104,926)</u>	<u>875,007</u>
Total support and revenue			
Expenses			
Program	667,781	-	667,781
Management and general	61,707	-	61,707
Fundraising	135,697	-	135,697
	<u>865,185</u>	<u>-</u>	<u>865,185</u>
Total expenses			
Change in net assets	114,748	(104,926)	9,822
Net assets, beginning of year	<u>349,949</u>	<u>237,329</u>	<u>587,278</u>
Net assets, end of year	<u><u>\$ 464,697</u></u>	<u><u>\$ 132,403</u></u>	<u><u>\$ 597,100</u></u>

See accompanying notes to consolidated financial statements

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidated Statements of Functional Expenses Years Ended December 31, 2019 and 2018

	2019				2018			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and benefits	\$ 263,318	\$ 48,862	\$ 65,716	\$ 377,896	\$ 267,832	\$ 35,198	\$ 62,063	\$ 365,093
Clothing donated	109,080	-	-	109,080	120,170	-	-	120,170
Rent	93,981	5,221	5,221	104,423	94,383	5,244	5,243	104,870
Special events	-	-	44,666	44,666	-	-	43,762	43,762
Payroll taxes	24,108	4,474	6,016	34,598	27,927	3,670	6,472	38,069
Legal and professional	34,044	6,007	-	40,051	22,748	4,014	-	26,762
Telephone and technology	16,042	1,887	943	18,872	47,146	5,893	5,894	58,933
Miscellaneous	7,397	-	822	8,219	14,797	-	-	14,797
Depreciation	20,617	1,145	1,146	22,908	21,779	1,210	1,210	24,199
Printing	7,625	545	2,723	10,893	8,962	260	3,766	12,988
Insurance	12,262	-	-	12,262	10,078	-	-	10,078
Supplies	4,995	277	278	5,550	8,844	491	492	9,827
Bank charges	-	3,324	2,216	5,540	-	3,103	2,069	5,172
Memberships and dues	4,340	814	271	5,425	7,135	1,338	446	8,919
Repairs and maintenance	3,461	91	92	3,644	3,681	96	98	3,875
Postage	1,204	172	2,065	3,441	1,421	237	3,078	4,736
Travel	9,507	528	528	10,563	4,149	230	231	4,610
Utilities	690	-	-	690	686	-	-	686
Consulting	1,886	-	209	2,095	2,085	-	43	2,128
Advertising	5,189	649	7,134	12,972	2,108	518	829	3,455
Meeting	1,886	98	1	1,985	1,850	205	1	2,056
Total expenses	<u>\$ 621,632</u>	<u>\$ 74,094</u>	<u>\$ 140,047</u>	<u>\$ 835,773</u>	<u>\$ 667,781</u>	<u>\$ 61,707</u>	<u>\$ 135,697</u>	<u>\$ 865,185</u>

See accompanying notes to consolidated financial statements

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidated Statements of Cash Flows Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ 96,132	\$ 9,822
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Non-cash change in donated inventory	16,743	(65,164)
Depreciation	22,908	24,199
Changes in:		
Pledges, grants and other receivables	1,219	55,031
Prepaid expenses and other assets	2,955	(407)
Accounts payable and accrued expenses	(11,923)	(13,271)
Straight-line rent liability	<u>(8,007)</u>	<u>(5,264)</u>
Net cash provided by operating activities	<u>120,027</u>	<u>4,946</u>
Cash flows from investing activities		
Purchase of property and equipment	<u>-</u>	<u>(31,770)</u>
Net change in cash and cash equivalents	120,027	(26,824)
Cash and cash equivalents, beginning of year	<u>409,993</u>	<u>436,817</u>
Cash and cash equivalents, end of year	<u><u>\$ 530,020</u></u>	<u><u>\$ 409,993</u></u>

See accompanying notes to consolidated financial statements

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Dress for Success Cincinnati (DFSC) exists to help women who are endeavoring to enter the workforce by providing them with high quality, interview-appropriate clothing, as well as counseling on getting and keeping jobs and improving the economic well-being of themselves and their families. Its affiliate, Fourth Street Basement Boutique dba Portaluca (Portaluca), is a social enterprise located in downtown Cincinnati that sells donated clothing; the net proceeds are transferred to Dress for Success Cincinnati.

Principles of Consolidation

The consolidated financial statements include the accounts of Dress for Success Cincinnati and Portaluca (collectively, the Organization), an affiliate controlled by Dress for Success Cincinnati. All significant inter-organizational balances and transactions have been eliminated.

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which are available for use in general operations and not subject to donor restrictions; and net asset with donor restrictions, which are either temporary in nature, such as those that will be met by the passage of time or other events specified by the donor, or are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Cash and Cash Equivalents

The Organization considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2019 and 2018, cash equivalents consisted primarily of money market deposit accounts. The Organization maintains its cash in bank deposit accounts which may, at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk.

Donated Inventory

Inventory donated to DFSC, which consists primarily of women's clothes used in its programs, is recorded at fair value. Other items of clothing that are donated to DFSC which cannot be used in its programs are not recorded, but are transferred and recorded by Portaluca for sale.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at the estimated fair value at the date of receipt. Depreciation is computed on a straight-line basis over an estimated useful life of the respective assets. The cost of maintenance and repairs are expensed as incurred, while significant improvements are capitalized.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

The Organization records gifts of cash and other assets at their fair value as of the date of contribution. Such donations are recorded as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. A gift that is originally restricted by the donor and for which the restriction is met in the same year that the gift is received is recorded as revenue without donor restrictions.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Unconditional promises to give expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized and reported as contribution revenue. Conditional promises to give are recognized as revenues when the conditions on which they depend are substantially met.

Revenue Recognition

The Organization identified a contract with a customer for revenue recognition when there is approval and commitment from both parties, the rights of the parties and payment terms are identified, the contract has commercial substance and the collectability of consideration is probable. The Organization evaluates each contract to determine the number of distinct performance obligations in the contract, which requires the use of judgement.

Revenue from contracts with customers is primarily recognized from boutique sales. These contracts consist of a single performance obligation, which is the promise to transfer the goods. Revenue is recognized by the Organization at a point in time, as the customer obtains control of the promised goods and the Organization satisfies its performance obligation.

The transaction price is stated in the contracts and is known at the time of contract inception. Variable consideration consists of discounts, which are recognized at the time of sale. The Organization does not extend credit to its boutique customers and payment is received at the time of sale.

Donated Services

The Organization records donated services as revenues in the period received only if the services received create or enhance non-financial assets or required specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of Ohio law. However, the Organization is subject to federal income tax on any unrelated business taxable income.

The Organization's IRS Form 990s are subject to review and examination by federal and state authorities. The Organization believes it has appropriate support for any tax positions taken, and therefore, does not have any uncertain income tax positions that are material to the financial statements.

Functional Allocation of Expenses

The cost of program and supporting services activities have been summarized on a functional classification basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services. Such allocations are determined by management on an equitable basis. The most significant allocations were salaries and related expenses, which were allocated based on time and effort, and occupancy and depreciation, which were allocated based on square footage.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events

In preparing its financial statements, the Organization has evaluated events subsequent to the statement of financial position date through May 8, 2020, which is the date the financial statements were available to be issued.

Effect of Adopting New Accounting Standards

During 2019, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The standard clarified and improved previous guidance about whether a transfer of assets is a contribution or an exchange transaction. The standard clarified how an entity determines whether a resource provider is participating in an exchange transaction by evaluating whether the resource provider is receiving commensurate value in return for the resources transferred. The standard also requires that an entity determine whether a contribution is conditional on the basis of whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. The ASU has been applied using the modified prospective basis for all grants and contracts that were entered into after January 1, 2019.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Effect of Adopting New Accounting Standards (Continued)

During 2019, the Organization adopted FASB ASU 2014-09, *Revenue from Contracts with Customers* ("Topic 606"), which replaces most existing revenue recognition guidance in U.S. GAAP. The ASU also requires expanded disclosures related to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Organization adopted the ASU using the modified retrospective approach to all contracts that were not completed as of the beginning of 2019. Results for reporting periods beginning after December 31, 2018 are presented under Topic 606, while prior period amounts and disclosures are not adjusted and continue to be reported under the accounting standards in effect for the prior period. The most significant impact of the adoption of Topic 606 is expanded disclosures for revenue recognition.

Recently Adopted Accounting Standard Updates

In February 2016, the FASB issued ASU 2016-02, *Leases*. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the balance sheet at the date of lease commencement. Leases will be classified as either finance or operating. This distinction will be relevant for the pattern of expense recognition in the income statement. This standard will be effective for the calendar ending December 31, 2021. The Organization is currently in the process of evaluating the impact of adoption of this ASU on their financial statements.

NOTE 2 LIQUIDITY AND AVAILABILITY

The Organization maintains liquid assets sufficient to cover three months of general expenditures as required by its Operating Reserve Policy adopted in November 2018. Financial assets in excess of daily cash requirements and grant funding are invested in certificates of deposit and money market funds.

The following table reflects the Organization's financial assets as of December 31, 2019 and 2018, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 530,020	\$ 409,993
Pledges, grants and other receivables	<u>3,337</u>	<u>4,556</u>
Total financial assets	533,357	414,549
Less net assets with donor restrictions	<u>(94,951)</u>	<u>(132,403)</u>
	<u>\$ 438,406</u>	<u>\$ 282,146</u>

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements (Continued)

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment at December 31 consisted of the following:

	2019	2018
Furniture and fixtures	\$ 50,185	\$ 50,185
Vehicles	34,089	34,089
Computer hardware and software	54,441	54,441
Leasehold improvements	21,597	21,597
Less accumulated depreciation	(129,020)	(106,112)
	<u>\$ 31,292</u>	<u>\$ 54,200</u>

NOTE 4 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31 are available for the following purposes or periods:

	2019	2018
Technology	\$ 37,007	\$ 37,456
Going Places Network	19,243	50,141
ACT assessments	25,968	25,968
Mobile unit	10,724	12,377
Client assistance and incentives	2,009	6,461
	<u>\$ 94,951</u>	<u>\$ 132,403</u>

NOTE 5 CONDITIONAL CONTRIBUTIONS

The Organization has a grant for which the grantor agency's promise to give is conditional upon the Organization incurring certain qualifying expenses under the grant program. At December 31, 2019, the Organization had a remaining available award balance on this conditional grant of \$26,667. This award balance is not recognized as an asset and will be recognized as revenue as the conditions are met, generally as qualifying expenses are incurred.

NOTE 6 OPERATING LEASES

The Organization leases office and retail space under noncancelable leases that expire in various years through 2024. One lease calls for escalating rental payments to be made over the life of the lease. The straight-line annual rental expense is \$102,732 per year. Rent expense for these leases included in the statement of activities was \$104,423 in 2019 and \$104,870 in 2018.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements (Continued)

NOTE 6 OPERATING LEASES (CONTINUED)

Future minimum lease payments at December 31 were:

2019	\$ 112,430
2020	115,240
2021	118,121
2022	121,074
2023	124,101
2024	<u>41,451</u>
	<u>\$ 632,417</u>

NOTE 7 CONCENTRATION

One special event, The Fashion Show, comprised approximately 31% and 25% of total support and revenue for 2019 and 2018, respectively.

NOTE 8 SUBSEQUENT EVENTS

The COVID-19 outbreak in the United States has caused business disruption through mandated closings of some of the Organization's programs, and the related economic uncertainty has resulted in a decline in donations compared to the corresponding period of last year. While the disruption is currently expected to be temporary, and the Organization expects renewed demand for its services upon reopening, there is considerable uncertainty around the duration of the closings, and any limitations that may apply once programs reopen. Therefore, the Organization expects this matter to negatively impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

SUPPLEMENTARY INFORMATION

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Financial Position December 31, 2019

	<u>Dress for Success</u>	<u>Portaluca</u>	<u>Eliminations</u>	<u>Consolidated</u>
Assets				
Cash and cash equivalents	\$ 474,380	\$ 55,640	\$ -	\$ 530,020
Pledges, grants and other receivables	3,337	-	-	3,337
Donated inventory	129,678	74,570	-	204,248
Prepaid expenses and other assets	6,357	2,921	-	9,278
Property and equipment, net	30,360	932	-	31,292
	<u>\$ 644,112</u>	<u>\$ 134,063</u>	<u>\$ -</u>	<u>\$ 778,175</u>
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 4,413	\$ 2,334	\$ -	\$ 6,747
Straight-line rent liability	51,843	26,353	-	78,196
	<u>56,256</u>	<u>28,687</u>	<u>-</u>	<u>84,943</u>
Net Assets				
Without donor restrictions	492,905	105,376	-	598,281
With donor restrictions	94,951	-	-	94,951
	<u>587,856</u>	<u>105,376</u>	<u>-</u>	<u>693,232</u>
	<u>\$ 644,112</u>	<u>\$ 134,063</u>	<u>\$ -</u>	<u>\$ 778,175</u>

See independent auditors' report.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Financial Position December 31, 2018

	<u>Dress for Success</u>	<u>Portaluca</u>	<u>Eliminations</u>	<u>Consolidated</u>
Assets				
Cash and cash equivalents	\$ 342,794	\$ 67,199	\$ -	\$ 409,993
Pledges, grants and other receivables	4,556	-	-	4,556
Donated inventory	122,241	98,750	-	220,991
Prepaid expenses and other assets	9,312	2,921	-	12,233
Property and equipment, net	<u>51,362</u>	<u>2,838</u>	<u>-</u>	<u>54,200</u>
Total assets	<u><u>\$ 530,265</u></u>	<u><u>\$ 171,708</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 701,973</u></u>
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 14,700	\$ 3,970	\$ -	\$ 18,670
Straight-line rent liability	<u>56,909</u>	<u>29,294</u>	<u>-</u>	<u>86,203</u>
Total liabilities	<u>71,609</u>	<u>33,264</u>	<u>-</u>	<u>104,873</u>
Net Assets				
Without donor restrictions	326,253	138,444	-	464,697
With donor restrictions	<u>132,403</u>	<u>-</u>	<u>-</u>	<u>132,403</u>
Total net assets	<u>458,656</u>	<u>138,444</u>	<u>-</u>	<u>597,100</u>
Total liabilities and net assets	<u><u>\$ 530,265</u></u>	<u><u>\$ 171,708</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 701,973</u></u>

See independent auditors' report.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Activities Year Ended December 31, 2019

	Dress for Success			Portaluca				Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue										
Grants and contributions	\$ 395,282	\$ 10,000	\$ 405,282	\$ 1,127	\$ -	\$ 1,127	\$ (45,000)	\$ 351,409	\$ 10,000	\$ 361,409
Special events	295,200	-	295,200	-	-	-	-	295,200	-	295,200
Boutique sales	-	-	-	177,096	-	177,096	-	177,096	-	177,096
Donated inventory	114,930	-	114,930	(24,180)	-	(24,180)	-	90,750	-	90,750
Fee for service	7,450	-	7,450	-	-	-	-	7,450	-	7,450
Released from restriction	47,452	(47,452)	-	-	-	-	-	47,452	(47,452)	-
Total support and revenue	860,314	(37,452)	822,862	154,043	-	154,043	(45,000)	969,357	(37,452)	931,905
Expenses	693,662	-	693,662	142,111	-	142,111	-	835,773	-	835,773
Transfer to Dress for Success	-	-	-	45,000	-	45,000	(45,000)	-	-	-
Change in net assets	166,652	(37,452)	129,200	(33,068)	-	(33,068)	-	133,584	(37,452)	96,132
Net assets, beginning of year	326,253	132,403	458,656	138,444	-	138,444	-	464,697	132,403	597,100
Net assets, end of year	\$ 492,905	\$ 94,951	\$ 587,856	\$ 105,376	\$ -	\$ 105,376	\$ -	\$ 598,281	\$ 94,951	\$ 693,232

See independent auditors' report.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Activities Year Ended December 31, 2018

	Dress for Success			Portaluca				Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue										
Grants and contributions	\$ 327,012	\$ 17,000	\$ 344,012	\$ 493	\$ -	\$ 493	\$ (45,000)	\$ 282,505	\$ 17,000	\$ 299,505
Special events	218,991	-	218,991	-	-	-	-	218,991	-	218,991
Boutique sales	-	-	-	169,563	-	169,563	-	169,563	-	169,563
Donated inventory	144,218	-	144,218	39,167	-	39,167	-	183,385	-	183,385
Fee for service	3,563	-	3,563	-	-	-	-	3,563	-	3,563
Released from restriction	121,926	(121,926)	-	-	-	-	-	121,926	(121,926)	-
Total support and revenue	815,710	(104,926)	710,784	209,223	-	209,223	(45,000)	979,933	(104,926)	875,007
Expenses	722,378	-	722,378	142,807	-	142,807	-	865,185	-	865,185
Transfer to Dress for Success	-	-	-	45,000	-	45,000	(45,000)	-	-	-
Change in net assets	93,332	(104,926)	(11,594)	21,416	-	21,416	-	114,748	(104,926)	9,822
Net assets, beginning of year	232,921	237,329	470,250	117,028	-	117,028	-	349,949	237,329	587,278
Net assets, end of year	\$ 326,253	\$ 132,403	\$ 458,656	\$ 138,444	\$ -	\$ 138,444	\$ -	\$ 464,697	\$ 132,403	\$ 597,100

See independent auditors' report.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Functional Expenses Year Ended December 31, 2019

	Dress for Success				Portaluca				Consolidated			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and benefits	\$ 209,974	\$ 38,963	\$ 52,404	\$ 301,341	\$ 53,344	\$ 9,899	\$ 13,312	\$ 76,555	\$ 263,318	\$ 48,862	\$ 65,716	\$ 377,896
Clothing donated	109,080	-	-	109,080	-	-	-	-	109,080	-	-	109,080
Rent	61,027	3,390	3,391	67,808	32,954	1,831	1,830	36,615	93,981	5,221	5,221	104,423
Special events	-	-	44,666	44,666	-	-	-	-	-	-	44,666	44,666
Payroll taxes	18,317	3,399	4,571	26,287	5,791	1,075	1,445	8,311	24,108	4,474	6,016	34,598
Legal and professional	29,050	5,126	-	34,176	4,994	881	-	5,875	34,044	6,007	-	40,051
Telephone and technology	15,200	1,788	894	17,882	842	99	49	990	16,042	1,887	943	18,872
Miscellaneous	7,311	-	812	8,123	86	-	10	96	7,397	-	822	8,219
Depreciation	18,902	1,050	1,050	21,002	1,715	95	96	1,906	20,617	1,145	1,146	22,908
Printing	7,625	545	2,723	10,893	-	-	-	-	7,625	545	2,723	10,893
Insurance	10,233	-	-	10,233	2,029	-	-	2,029	12,262	-	-	12,262
Supplies	4,092	227	228	4,547	903	50	50	1,003	4,995	277	278	5,550
Bank charges	-	-	-	-	-	3,324	2,216	5,540	-	3,324	2,216	5,540
Memberships and dues	4,340	814	271	5,425	-	-	-	-	4,340	814	271	5,425
Repairs and maintenance	2,159	57	57	2,273	1,302	34	35	1,371	3,461	91	92	3,644
Postage	1,204	172	2,065	3,441	-	-	-	-	1,204	172	2,065	3,441
Travel	9,507	528	528	10,563	-	-	-	-	9,507	528	528	10,563
Utilities	690	-	-	690	-	-	-	-	690	-	-	690
Consulting	1,886	-	209	2,095	-	-	-	-	1,886	-	209	2,095
Advertising	4,624	578	6,357	11,559	565	71	777	1,413	5,189	649	7,134	12,972
Meeting	1,499	79	-	1,578	387	19	1	407	1,886	98	1	1,985
Total expenses	\$ 516,720	\$ 56,716	\$ 120,226	\$ 693,662	\$ 104,912	\$ 17,378	\$ 19,821	\$ 142,111	\$ 621,632	\$ 74,094	\$ 140,047	\$ 835,773

See independent auditors' report.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Functional Expenses Year Ended December 31, 2018

	Dress for Success				Portaluca				Consolidated			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and benefits	\$ 213,956	\$ 28,118	\$ 49,578	\$ 291,652	\$ 53,876	\$ 7,080	\$ 12,485	\$ 73,441	\$ 267,832	\$ 35,198	\$ 62,063	\$ 365,093
Clothing donated	120,170	-	-	120,170	-	-	-	-	120,170	-	-	120,170
Rent	61,289	3,405	3,405	68,099	33,094	1,839	1,838	36,771	94,383	5,244	5,243	104,870
Special events	-	-	43,762	43,762	-	-	-	-	-	-	43,762	43,762
Payroll taxes	22,043	2,897	5,108	30,048	5,884	773	1,364	8,021	27,927	3,670	6,472	38,069
Legal and professional	15,866	2,800	-	18,666	6,882	1,214	-	8,096	22,748	4,014	-	26,762
Telephone and technology	46,274	5,784	5,785	57,843	872	109	109	1,090	47,146	5,893	5,894	58,933
Miscellaneous	13,972	-	-	13,972	825	-	-	825	14,797	-	-	14,797
Depreciation	20,064	1,115	1,114	22,293	1,715	95	96	1,906	21,779	1,210	1,210	24,199
Printing	8,910	258	3,745	12,913	52	2	21	75	8,962	260	3,766	12,988
Insurance	7,435	-	-	7,435	2,643	-	-	2,643	10,078	-	-	10,078
Supplies	6,641	369	369	7,379	2,203	122	123	2,448	8,844	491	492	9,827
Bank charges	-	-	-	-	-	3,103	2,069	5,172	-	3,103	2,069	5,172
Memberships and dues	7,135	1,338	446	8,919	-	-	-	-	7,135	1,338	446	8,919
Repairs and maintenance	2,449	64	65	2,578	1,232	32	33	1,297	3,681	96	98	3,875
Postage	1,421	237	3,078	4,736	-	-	-	-	1,421	237	3,078	4,736
Travel	4,146	230	231	4,607	3	-	-	3	4,149	230	231	4,610
Utilities	686	-	-	686	-	-	-	-	686	-	-	686
Consulting	2,085	-	43	2,128	-	-	-	-	2,085	-	43	2,128
Advertising	1,730	425	681	2,836	378	93	148	619	2,108	518	829	3,455
Meeting	1,490	166	-	1,656	360	39	1	400	1,850	205	1	2,056
Total expenses	\$ 557,762	\$ 47,206	\$ 117,410	\$ 722,378	\$ 110,019	\$ 14,501	\$ 18,287	\$ 142,807	\$ 667,781	\$ 61,707	\$ 135,697	\$ 865,185

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