

**Hope House Colorado**

**Financial Statements**

**December 31, 2020 and 2019**

**(With Independent Auditor's Report Thereon)**

*Kundinger, Corder & Engle, P.C.*

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*Certified Public Accountants*

## **Independent Auditor's Report**

### **Board of Directors Hope House of Colorado**

#### **Report on Financial Statements**

We have audited the accompanying financial statements of Hope House Colorado, which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

#### **Management's 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 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 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 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 judgment, 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 entity'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 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Board of Directors  
Hope House of Colorado**

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hope House Colorado as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Kuendinger, Corda & Congle, P.C.*

April 15, 2021

**Hope House Colorado**  
**Statements of Financial Position**  
**December 31, 2020 and 2019**

	2020	2019
<b>Assets</b>		
Cash and cash equivalents	\$ 1,501,968	827,634
Restricted cash for building projects (note 3)	96,380	77,154
Contributions and grants receivable	2,044	23,869
Prepaid expenses and other assets	7,473	7,444
Property and equipment, net (note 4)	5,615,417	5,387,840
Total assets	\$ 7,223,282	6,323,941
<b>Liabilities and Net Assets</b>		
Accounts payable and accrued liabilities	\$ 95,397	105,135
Mortgage payable (note 5)	102,220	114,844
Paycheck Protection Program loan (note 10)	224,300	—
Total liabilities	421,917	219,979
Net assets (note 7)		
Without donor restrictions		
Undesignated	389,090	335,291
Investment in property and equipment, net of related debt	5,513,197	5,272,996
Board designated	591,446	404,446
Total without donor restrictions	6,493,733	6,012,733
With donor restrictions	307,632	91,229
Total net assets	6,801,365	6,103,962
Commitments and contingencies (notes 6, 8 and 11)		
Total liabilities and net assets	\$ 7,223,282	6,323,941

See the accompanying notes to the financial statements.

**Hope House Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, gains and support</b>			
Contributions and grants			
Corporate	\$ 153,052	68,514	221,566
Foundation grants	771,960	139,000	910,960
Individuals	717,172	88,527	805,699
Churches	62,182	2,581	64,763
In-kind (note 9)	147,340	202,392	349,732
Special events revenue	717,689	–	717,689
Less: direct expenses	(134,114)	–	(134,114)
Contract revenue	51,100	–	51,100
Interest and other income (loss)	(15,527)	–	(15,527)
Net assets released due to satisfaction of time or purpose restrictions (note 7)	284,611	(284,611)	–
Total revenue, gains and support	<u>2,755,465</u>	<u>216,403</u>	<u>2,971,868</u>
<b>Expenses</b>			
Program services	1,571,745	–	1,571,745
Supporting services			
Management and general	233,165	–	233,165
Fundraising	305,596	–	305,596
Total supporting services	<u>538,761</u>	<u>–</u>	<u>538,761</u>
Total expenses before noncash items	<u>2,110,506</u>	<u>–</u>	<u>2,110,506</u>
<b>Change in net assets before noncash items</b>	644,959	216,403	861,362
Depreciation	(163,959)	–	(163,959)
<b>Change in net assets</b>	481,000	216,403	697,403
<b>Net assets at beginning of year</b>	<u>6,012,733</u>	<u>91,229</u>	<u>6,103,962</u>
<b>Net assets at end of year</b>	<u>\$ 6,493,733</u>	<u>307,632</u>	<u>6,801,365</u>

See the accompanying notes to the financial statements.

**Hope House Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2019**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, gains and support</b>			
Contributions and grants			
Corporate	\$ 69,251	67,556	136,807
Foundation grants	201,766	640,000	841,766
Individuals	916,584	301,095	1,217,679
Churches	26,923	6,000	32,923
In-kind (note 9)	125,473	73,620	199,093
Special events revenue	771,968	–	771,968
Less: direct expenses	(230,379)	–	(230,379)
Contract revenue	14,527	–	14,527
Interest and other income (loss)	(22,816)	–	(22,816)
Net assets released due to satisfaction of time or purpose restrictions (note 7)	4,946,950	(4,946,950)	–
Total revenue, gains and support	<u>6,820,247</u>	<u>(3,858,679)</u>	<u>2,961,568</u>
<b>Expenses</b>			
Program services	1,419,709	–	1,419,709
Supporting services			
Management and general	170,324	–	170,324
Fundraising	222,333	–	222,333
Total supporting services	<u>392,657</u>	<u>–</u>	<u>392,657</u>
Total expenses before noncash items	<u>1,812,366</u>	<u>–</u>	<u>1,812,366</u>
<b>Change in net assets before noncash items</b>	5,007,881	(3,858,679)	1,149,202
Depreciation	(78,121)	–	(78,121)
<b>Change in net assets</b>	4,929,760	(3,858,679)	1,071,081
<b>Net assets at beginning of year</b>	<u>1,082,973</u>	<u>3,949,908</u>	<u>5,032,881</u>
<b>Net assets at end of year</b>	<u>\$ 6,012,733</u>	<u>91,229</u>	<u>6,103,962</u>

See the accompanying notes to the financial statements.

**Hope House Colorado**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2020**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, benefits and taxes	\$ 982,402	152,671	257,508	1,392,581
Direct program costs	394,171	2,500	90	396,761
Occupancy	102,776	1,741	3,482	107,999
Office expenses	24,200	1,113	29,483	54,796
Legal and accounting	–	65,706	–	65,706
Information technology	30,975	645	13,279	44,899
Conferences and meetings	1,867	3,804	1,601	7,272
Insurance	29,253	1,867	–	31,120
Other expenses	318	3,118	153	3,589
Interest	5,783	–	–	5,783
Total functional expenses	<u>1,571,745</u>	<u>233,165</u>	<u>305,596</u>	<u>2,110,506</u>
Depreciation	<u>155,757</u>	<u>2,734</u>	<u>5,468</u>	<u>163,959</u>
Total expenses	<u>\$ 1,727,502</u>	<u>235,899</u>	<u>311,064</u>	<u>2,274,465</u>

See the accompanying notes to the financial statements.

**Hope House Colorado**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2019**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, benefits and taxes	\$ 932,999	103,776	184,624	1,221,399
Direct program costs	300,148	–	–	300,148
Occupancy	75,825	1,639	4,533	81,997
Office expenses	23,584	508	25,476	49,568
Legal and accounting	4,633	56,218	611	61,462
Information technology	52,764	1,136	2,923	56,823
Conferences and meetings	1,357	5,074	2,966	9,397
Insurance	20,648	444	1,128	22,220
Other expenses	1,349	1,529	72	2,950
Interest	6,402	–	–	6,402
Total functional expenses	<u>1,419,709</u>	<u>170,324</u>	<u>222,333</u>	<u>1,812,366</u>
Depreciation	<u>73,743</u>	<u>1,332</u>	<u>3,046</u>	<u>78,121</u>
Total expenses	<u>\$ 1,493,452</u>	<u>171,656</u>	<u>225,379</u>	<u>1,890,487</u>

See the accompanying notes to the financial statements.



**Hope House Colorado**  
**Statement of Cash Flows**  
**Year Ended December 31, 2020 and 2019**

	2020	2019
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 697,403	1,071,081
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	163,959	78,121
Capitalization of in-kind donations	(202,392)	(73,620)
Change in operating assets and operating liabilities:		
Contributions receivable	21,825	(3,657)
Prepaid expenses and other assets	(29)	46,700
Accounts payable and accrued liabilities	(9,738)	(2,169)
Net cash provided by operating activities	671,028	1,116,456
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(189,144)	(2,223,584)
Net cash used in investing activities	(189,144)	(2,223,584)
<b>Cash flows from financing activities</b>		
Repayment of mortgage payable	(12,624)	(12,005)
Proceeds from Paycheck Protection Program loan	224,300	-
Net cash provided by (used) in financing activities	211,676	(12,005)
<b>Net increase (decrease) in cash and cash equivalents</b>	693,560	(1,119,133)
<b>Cash, cash equivalents and restricted cash at beginning of year</b>	904,788	2,023,921
<b>Cash, cash equivalents and restricted cash at end of year</b>	\$ 1,598,348	904,788
<b>Supplemental Disclosure</b>		
Interest paid	\$ 5,783	6,402
Noncash investing activities		
In-kind capitalized property and equipment	\$ 202,392	73,620
<b>Reconciliation of cash, cash equivalents and restricted cash at end of year</b>		
Cash and cash equivalents	\$ 1,501,968	827,634
Restricted cash for building projects	96,380	77,154
	\$ 1,598,348	904,788

See the accompanying notes to the financial statements.

**Hope House Colorado**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

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**(1) Summary of Significant Accounting Policies**

**(a) Organization**

Hope House Colorado (Hope House) is committed to transforming the lives of teen mothers around the world. Hope House offers teen moms and their children hope for a brighter future by providing resources, education, and support to build strong, healthy and loving homes. Hope House offers residential and outreach programs at their facilities in Arvada, Colorado. Hope House was incorporated in 2000 in Colorado as a non-profit corporation and is supported primarily through donor contributions, grants and fundraising activity.

**(b) Basis of Accounting and Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Hope House is required to report information regarding its financial position and activities according to the following net asset classes:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of Hope House. These net assets may be used at the discretion of Hope House's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Hope House has no donor restricted net assets that are perpetual in nature.

**(c) Cash, Cash Equivalents and Restricted Cash**

Hope House considers all cash and highly liquid financial instruments with original maturities of three months or less to be cash equivalents. Cash balances held for long-term donor restricted purposes are shown as restricted cash in the statement of financial position.

# Hope House Colorado

## Notes to Financial Statements, Continued

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### (1) Summary of Significant Accounting Policies, Continued

#### (d) Concentrations of Credit Risk

Financial instruments which potentially subject Hope House to concentrations of credit risk consist principally of cash, cash equivalents and restricted cash. Hope House places its cash with creditworthy, high quality financial institutions. At times during the year, a portion of Hope House's cash deposits may not be insured by the FDIC or related entity.

#### (e) Revenue Recognition

##### Contributions and Grants

Contributions and grants are recognized when cash, securities, and unconditional promises to give are received. Conditional promises to give, that is, those with a measurable performance barrier and a right of return are not recognized until the conditions on which they depend are substantially met. Payments received in advance of conditions being met are recorded as a refundable advance.

Contributions and grants receivable are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions and grants receivable are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Hope House uses the allowance method to determine uncollectible contributions and grants receivable. At December 31, 2020 and 2019, there is no allowance for uncollectible amounts because management believes that all contributions and grants will be collected in their entirety.

Special events revenue is recognized equal to the cost of direct benefit to donors, and contribution revenue for the difference.

##### Contract revenue

A portion of Hope House's revenue is derived from a contract to offer GED and online high school coursework to the teen mothers served by Hope House. The contract is billed monthly on a cost reimbursement basis. Amounts received are deemed to be earned and are reported as revenue as services are performed or expenses are incurred. Cash received but not yet earned is reported as deferred revenue.

Accounts receivable represent fees earned for services provided. The allowance for doubtful accounts is based on past collection experience and on analysis of current accounts receivable collectibility. Accounts deemed uncollectible are charged to the allowance in the year they are deemed uncollectible. Hope House did not have any accounts receivable as of December 31, 2020 or 2019.

# Hope House Colorado

## Notes to Financial Statements, Continued

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### **(1) Summary of Significant Accounting Policies, Continued**

#### **(f) Property and Equipment**

Property and equipment are stated at cost at the date of purchase or, if donated, at the approximate fair market value at the date of donation. Hope House capitalizes property and equipment with a cost or fair value at the date of donation of \$5,000 or more, and are depreciated over their estimated useful lives using the straight-line method. Buildings will be depreciated over a 40-year life and other fixed assets are depreciated over a five to seven-year period.

#### **(g) In-Kind Contributions**

In-kind contributions may include donated property and equipment, services, space use, materials or supplies. In-kind contributions are recorded as contributions and corresponding expenses at their estimated fair values at the date of donation, or capitalized if they meet the capitalization criteria. Donated auction items are recorded at the cash sales price at the time of sale and included in special event revenue. Hope House recognizes the value of contributed services when they (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Hope House.

Many individuals volunteer their time and perform a variety of tasks that assist Hope House with specific assistance on programs and fundraising events. No amounts have been reflected in the financial statements for these donated services since the volunteers' time does not meet the criteria for recognition under generally accepted accounting principles.

#### **(h) Functional Allocation of Expenses**

The costs of providing program and supporting services have been summarized on a functional basis in the accompanying statement of functional expenses. Hope House incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. Hope House also conducts a number of activities which benefit both its program objectives as well as supporting services (i.e. fundraising and management and general activities). These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited, based on either financial or nonfinancial data, such as headcount, square-footage, or estimates of time and effort incurred by personnel.

#### **(i) 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 and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

# Hope House Colorado

## Notes to Financial Statements, Continued

### (1) Summary of Significant Accounting Policies, Continued

#### (j) Income Taxes

Hope House is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code, and contributions received qualify for the charitable contribution deduction. However, income from activities not directly related to Hope House's tax-exempt purpose is subject to taxation as unrelated business income. There was no unrelated business income in 2020 or 2019.

Hope House follows the *Accounting for Uncertainty in Income Taxes* accounting standard which requires Hope House to determine whether a tax position (and the related tax benefit) is more likely than not to be sustained upon examination by the applicable taxing authority, based solely on the technical merits of the position. Hope House believes it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are significant to the financial statements. If incurred, interest and penalties associated with uncertain tax positions would be recorded in the period assessed. Hope House's tax returns for the previous three years, December 31, 2017 through December 31, 2019, are subject to examination by the IRS, generally for three years after initial filing.

#### (k) Subsequent Events

Hope House's financial statements were available to be issued on April 15, 2021, and this is the date through which subsequent events were evaluated.

### (2) Availability and Liquidity of Financial Assets

The following represents Hope House's financial assets as of December 31, 2020 and 2019 that are available for expenditure for on-going programs and general operations within one year:

	<u>2020</u>	<u>2019</u>
Financial assets available to fund general operations:		
Cash and cash equivalents	\$ 1,501,968	827,634
Cash restricted for building projects	96,380	77,154
Contributions and grants receivable	<u>2,044</u>	<u>23,869</u>
Total financial assets	1,600,392	928,657
Less financial assets not available within the year ending December 31:		
Required for debt service	(18,407)	(18,407)
Board designated operating reserve	<u>(573,446)</u>	<u>(386,446)</u>
Total financial assets available for expenditure within one year	\$ <u>1,008,539</u>	<u>523,804</u>

# Hope House Colorado

## Notes to Financial Statements, Continued

### (2) Availability and Liquidity of Financial Assets, Continued

Hope House receives significant support from contributions and grants, including restricted donations and grants. Based on donor restrictions and timing of receivables, resources may be unavailable until a future period. Hope House maintains sufficient resources to meet the responsibilities to its donors. As part of Hope House's liquidity management, Hope House has a policy to maintain no less than 30 days of expenses in the operating bank account to be available for expenditure, liabilities and other obligations as they come due.

In addition, Hope House maintains a board designated reserve of operating surplus, which totals \$573,446 as of December 31, 2020, and \$386,446 as of December 31, 2019. At the board's discretion and in accordance with its policy, the operating reserve may be drawn upon the event of financial distress, or be used for general operations when deemed necessary. Additionally, Hope House maintains a secured line of credit with a commercial bank in the amount of \$150,000. See note 6.

### (3) Cash Restricted and Designated for Building Projects

Hope House has deposited cash resources which are restricted or board designated for its building projects in a separate account as follows:

	<u>2020</u>	<u>2019</u>
Restricted funds for capital reserve	\$ 31,380	25,000
Restricted funds for capital construction	40,000	28,042
Designated funds	<u>25,000</u>	<u>24,112</u>
Total restricted cash for building projects	\$ <u>96,380</u>	<u>77,154</u>

### (4) Property and Equipment

The components of property and equipment are as follows for the year ended December 31:

	<u>2020</u>	<u>2019</u>
Land	\$ 369,577	369,577
Construction in progress	301,233	-
Building improvements	598,853	598,853
Furniture, equipment and software	315,007	330,074
Vehicles	49,903	49,903
Buildings	<u>4,489,796</u>	<u>4,409,517</u>
	6,124,369	5,757,924
Less accumulated depreciation	<u>(508,952)</u>	<u>(370,084)</u>
Total property and equipment	\$ <u>5,615,417</u>	<u>5,387,840</u>

# Hope House Colorado

## Notes to Financial Statements, Continued

### (5) Mortgage Payable

On August 6, 2012 Hope House was issued a \$190,757 mortgage note payable which is secured by a deed of trust and deposit accounts held at the commercial lending institution. The note has an interest rate of 5.20% and is payable in monthly installments of \$1,534 through July 2027.

The maturities of the debt is as follows for the years ended December 31:

2021	\$ 13,339
2022	14,059
2023	14,819
2024	15,611
2025	16,462
Thereafter	<u>27,903</u>
	\$ <u>102,193</u>

### (6) Line of Credit

Hope House has a \$150,000 revolving line of credit with a commercial bank. The interest rate is variable based on prime plus 1.50%, but no lower than 5.50%. This line of credit was renewed during 2019, with a maturity date of June 2022. There was no outstanding balance on this line of credit at December 31, 2020 and 2019, and there were no borrowings during 2020 or 2019.

### (7) Net Assets

The board has elected to designate net assets without donor restrictions as follows as of December 31:

	<u>2020</u>	<u>2019</u>
Board designated – operating reserve	\$ 573,446	386,446
Board designated – book reserve	<u>18,000</u>	<u>18,000</u>
Total board designated net assets	\$ <u>591,446</u>	<u>404,446</u>

Donor-restricted net assets consisted of the following at December 31:

	<u>2020</u>	<u>2019</u>
Construction of Resource Center	\$ –	71,229
Cash received for Residential remodel	74,581	20,000
In-kind donations received for Residential remodel	202,392	–
COVID-19 rent assistance	7,159	–
College and career EEG	<u>23,500</u>	<u>–</u>
Total net assets with donor restrictions	\$ <u>307,632</u>	<u>91,229</u>

# Hope House Colorado

## Notes to Financial Statements, Continued

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### (7) Net Assets, Continued

Net assets were released from restrictions due to the following purpose restrictions being accomplished as of December 31:

	<u>2020</u>	<u>2019</u>
Satisfaction of construction of Resource Center	\$ 71,229	4,840,126
COVID-19 direct assistance	103,855	–
Satisfaction of other purpose restrictions	<u>109,527</u>	<u>106,824</u>
Total net assets released from restrictions	\$ <u>284,611</u>	<u>4,946,950</u>

### (8) Retirement Plan

Hope House sponsors a SIMPLE IRA plan (the Plan) for the benefit of eligible employees. Eligible employees may begin to participate in the Plan with elective deferral contributions once the employee has earned \$5,000 during any two preceding years, and must be reasonably expected to earn such amounts during the current year. Hope House makes matching contributions in an equal amount to an employee's elective deferrals but not to exceed 3%. Plan benefits vest immediately. Hope House contributed \$17,151 and 15,258 to the Plan during the year ended December 31, 2020 and 2019, respectively.

### (9) In-Kind Contributions

In-kind contributions totaled \$349,732 and \$199,093 for the years ended December 31, 2020 and 2019, respectively. In-kind contributions include the following components:

	<u>2020</u>	<u>2019</u>
Capitalized construction costs	\$ 202,392	73,620
Services	38,806	6,019
Supplies, clothing and other direct assistance	<u>108,534</u>	<u>119,454</u>
Total in-kind contributions	\$ <u>349,732</u>	<u>199,093</u>

Hope House relies extensively on volunteers who perform a variety of services for which no estimate of value is made in the accompanying financial statements. In both 2020 and 2019, Hope House benefited from over 8,000 hours of volunteer time, of which approximately 400 was one-on-one tutoring time with teen moms.



# Hope House Colorado

## Notes to Financial Statements, Continued

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### **(10) Paycheck Protection Program Loan**

In April 2020, Hope House received a \$224,300 loan under the U.S. Small Business Administration's (SBA) Paycheck Protection Program (PPP) authorized under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Under the program, this loan may be partially or fully forgiven if certain eligibility requirements are met, including that 60% of the loan must be spent on payroll. The loan is being treated as a conditional contribution until such time that the loan has been explicitly forgiven by the SBA. Therefore, the proceeds have been recognized as a refundable advance at December 31, 2020. The proceeds will be recognized as contribution revenue when Hope House is notified that the loan has been forgiven. Subsequent to year end, Hope House received full forgiveness of the loan.

### **(11) Impact of COVID-19**

The COVID-19 pandemic has caused business disruption and economic uncertainties in numerous sectors of the economy. The related financial impact on the future operations of Hope House cannot be reasonably estimated at this time. Management and the Board of Directors continue to monitor and evaluate the situation as it evolves.