THE CENTER FOR TRAUMA & RESILIENCE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2020

THE CENTER FOR TRAUMA & RESILIENCE

CONTENTS

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
The Center for Trauma & Resilience
Denver, Colorado

We have audited the accompanying financial statements of The Center for Trauma & Resilience (a nonprofit organization) which comprise the Statement of Financial Position as of December 31, 2020, and the related Statement of Activities, Functional Expenses, and Cash Flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Center for Trauma & Resilience as of December 31, 2020, and the changes in its net assets, functional expense and its cash flow for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2021 on our consideration of The Center for Trauma & Resilience's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Center for Trauma & Resilience's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Center for Trauma & Resilience's internal control over financial reporting and compliance.

Watson Coon Ryan, LLC

WATSON COON RYAN, LLC
CENTENNIAL, COLORADO
October 12, 2021

THE CENTER FOR TRAUMA & RESILIENCE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

ASSETS

		2020
CURRENT ASSETS		
Cash and Cash Equivalents	$	1,338,487
Grants Receivable		298,405
Foundations Receivable		7,420
Employee Advances		4,797
Prepaid Expenses		10,915
TOTAL CURRENT ASSETS		1,660,024
NONCURRENT ASSETS		
Property and Equipment, net		829,480
Cash in Bank - Restricted		14,791
Beneficial Interest in a Perpetual Trust		22,541
		866,812
TOTAL ASSETS	**$**	**2,526,836**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	$	1,884
Accrued Expenses		51,601
Current Portion of Notes Payable		7,654
TOTAL CURRENT LIABILITIES		**61,139**
LONG-TERM LIABILITIES		
Notes Payable, less Current Portion above		576,663
TOTAL LIABILITIES		**637,802**
NET ASSETS		
Total Net Assets without Donor Restrictions		1,291,023
Total Net Assets with Donor Restrictions		598,011
		1,889,034
TOTAL LIABILITIES AND NET ASSETS	**$**	**2,526,836**

The accompanying notes are an integral part of these financial statements.

THE CENTER FOR TRAUMA & RESILIENCE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**
Operating Activities			
Revenues:			
Grant Revenue	$ 1,235,778	$ 563,220	$ 1,798,998
Contributions	532,823	-	532,823
Translation Fees	69,806	-	69,806
Change in Value of Beneficial Interest in Perpetual Trusts	-	2,168	2,168
Net Assets Released from Restriction	8,857	(8,857)	-
Total Revenue and Other Support	**1,847,264**	**556,531**	**2,403,795**
Expenses:			
Program Services - Translation Center	168,719	-	168,719
Program Services - Victim Support Programs	1,275,549	-	1,275,549
Management and General	154,406	-	154,406
Fundraising	129,554	-	129,554
Total Operating Expenses	**1,728,228**	**-**	**1,728,228**
Change in Net Assets from Operations	**119,036**	**556,531**	**675,567**
Nonoperating Activities			
Interest Expense	(18,451)	-	(18,451)
Interest Income	377	-	377
Total Non Operating Activities:	**(18,074)**	**-**	**(18,074)**
CHANGE IN NET ASSETS	**100,962**	**556,531**	**657,493**
NET ASSETS, beginning of year	**1,190,061**	**41,480**	**1,231,541**
NET ASSETS, end of year	**$ 1,291,023**	**$ 598,011**	**$ 1,889,034**

The accompanying notes are an integral part of these financial statements.

THE CENTER FOR TRAUMA & RESILIENCE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services			Supporting Services			
	Translation Services	Victims Support Services	Total Program Services	Administrative	Fundraising	Total Support Services	Total
Salaries and Benefits	$ 73,386	$ 842,293	$ 915,679	$ 118,148	$ 107,912	$ 226,060	$ 1,141,739
Bank Fees	84	961	1,045	135	124	259	1,304
Contract Services	77,395	39,600	116,995	-	36	36	117,031
Charitable Donations	-	-	-	3,057	-	3,057	3,057
Dues and Subscriptions	1,177	13,510	14,687	1,895	1,731	3,626	18,313
Insurance	5,944	68,222	74,166	9,569	8,741	18,310	92,476
Legal Clinic	650	-	650	-	-	-	650
Travel & Mileage	144	1,650	1,794	231	211	442	2,236
Postage	146	1,672	1,818	235	213	448	2,266
Professional services	-	96,232	96,232	7,700	-	7,700	103,932
Publications and printing	103	1,181	1,284	166	151	317	1,601
Repairs and maintenance	2,260	15,819	18,079	2,712	1,807	4,519	22,598
Supplies	1,383	15,877	17,260	2,227	2,034	4,261	21,521
Telephone	1,646	18,898	20,544	2,651	2,421	5,072	25,616
Training	973	11,168	12,141	1,566	1,431	2,997	15,138
Rent	979	6,850	7,829	1,174	782	1,956	9,785
Utilities	536	3,755	4,291	644	429	1,073	5,364
Victim Assistance	-	124,468	124,468	-	-	-	124,468
Depreciation	1,913	13,393	15,306	2,296	1,531	3,827	19,133
Total Expenses Included in the Operating Expense Section on Statement of Activities	$ 168,719	$ 1,275,549	$ 1,444,268	$ 154,406	$ 129,554	$ 283,960	$ 1,728,228

The accompanying notes are an integral part of these financial statements.

THE CENTER FOR TRAUMA & RESILIENCE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

		2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	657,493
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense		19,133
(Increase) decrease in assets:		
Grants receivable		27,973
Prepaid expenses and other current assets		5,213
Employee Advances		3,226
Beneficial interest in perpetual trust		(1,845)
Increase (decrease) in liabilities:		
Accounts payable		(31,310)
Accrued expenses		(1,268)
CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		678,615
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Paid for Purchases of Fixed Assets		(20,000)
CASH USED FOR INVESTING ACTIVITIES		(20,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable		257,400
Principal payments on Long Term Debt		(7,235)
CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES		250,165
NET INCREASE (DECREASE) IN CASH & RESTRICTED CASH		908,780
CASH & RESTRICTED CASH AT BEGINNING OF YEAR		444,498
CASH & RESTRICTED CASH AT END OF YEAR	$	1,353,278
CASH PAID DURING THE YEAR FOR:		
INTEREST	$	18,451

The accompanying notes are an integral part of these financial statements.

NOTE 1-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Organization. The Center for Trauma & Resilience (the "Center") is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Formerly known as The Denver Center for Crime Victims, the Center was established in 1987 and was organized exclusively for charitable and educational purposes, including assisting victims who have been directly or indirectly injured by another's criminal act resulting in physical, psychological, social, or economic harm.

The Center's major programs and activities are described below:

Program Services

Victim Services - Victim services include helping victims with accessing legal and medical services, obtaining or providing food, crisis housing and necessities to victims, conducting educational programs for the general public on the problems and issues related to victimization and providing consultation services for victims, and training to professional and para-professionals.

Translation and Interpretation Services- The Translation & Interpreting Center provides more than 35 different languages, including American Sign Language. Services are offered in-person throughout Colorado, via conference calling nationwide, and electronically across the world.

Supporting Services

Management and General - Includes functions necessary to administer the programs and other financial and corporate governing the Center.

Fund-raising - To encourage and secure public and private financial support from individuals, foundations, corporations, and government agencies.

Basis of Accounting. The financial statements of The Center have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require The Center to report information regarding its financial position and activities according to the following net asset classifications:

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 The Center. These net assets may be used at the discretion of The Center'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 Center or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of operations. The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to The Center's ongoing program services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and interest expense which are considered to be of a more unusual or nonrecurring nature.

Functional allocation of expenses. The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Expenses that can be directly identified with the program or supporting service to which they relate are allocated accordingly. Certain other expenses by function have been allocated by The Center between program and supporting services based on methodology determined to be reasonable by The Center.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and wages	Time and effort
Bank Fees	Time and effort
Dues and Subscriptions	Time and effort
Travel & Mileage	Time and effort
Postage	Time and effort
Publications and Printing	Time and effort
Repairs and Maintenance	Head count
Supplies	Time and effort
Telephone	Time and effort
Training	Time and effort
Rent	Head count
Utilities	Head count
Depreciation	Head count

Revenue Recognition. The Organization applies the guidance in Financial Accounting Standards Board *Revenue from Contracts with Customers* (Topic 606) with respect to exchange (reciprocal) transactions and *Not-for-profit Entities* (Topic 958) with respect to contributions (nonreciprocal transactions).

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-09 *Revenue from Contracts with Customers*. This new standard supersedes existing revenue recognition guidance and most industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Center elected the modified retrospective approach to apply this guidance to all contracts as of January 1, 2020. The adoption of this new standard did not impact the timing of revenue recognition.

The Center recognizes revenue from interpretation and translation services at the time services are provided.

The Center recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. At December 31, 2020 there were no contributions that were deferred due to measurable performance barrier, right of return or other conditions in place.

A portion of the Center's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Center has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. There were no refundable advances reported as of December 31, 2020.

The Organization has adopted Accounting Standards Update (ASU) No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understandability of the Organization's financial reporting. The Center elected the modified retrospective approach to apply this guidance to all contributions received as of January 1, 2020. The adoption of this new standard did not impact the timing of revenue recognition.

Promises to Give. Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if they are expected to be collected in one year and at fair value if they are expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Beneficial Interest in Assets Held by Community Foundation During 2004, we established a permanent endowment fund (the Fund) under a community foundation's (the CF) Non-profit Preservation Endowment Challenge Grant program, and named The Center as beneficiary. The Center granted variance power to CF which allows CF to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of CF's Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The Fund is held and invested by CF for our benefit, and is reported at fair value in the statements of financial position, with distributions and changes in fair value recognized in the statements of activities.

Cash and Cash Equivalents. For purposes of the statements of cash flow, The Center considers all short-term debt securities purchased with a maturity of less than three months to be cash equivalents.

Restricted cash includes money that was given with a specified purpose; as such amounts have been segregated from cash available for general operations.

The following table provides a reconciliation of cash and restricted cash reported within the statement of financial position that sum to the total of the same such amounts shown in the statement of cash flows:

	2020
Cash and Cash Equivalents	$ 1,338,487
Restricted Cash	14,791
Total Cash and Restricted Cash shown in the Statement of Cash Flows	$ 1,353,278

Concentration of Risks. The Center places its cash and equivalents in high quality financial institutions and, from time to time, cash balances may be in excess of the FDIC insurance limits. Management believes that credit risk related to cash balances and investments are minimal. The Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Property, Equipment and Depreciation. The Center records property and equipment at cost or fair market value, if donated. Depreciation is computed by the use of the straight-line method over estimated useful lives of five years. The Center capitalizes all fixed asset purchases over $2,500 with an estimated useful life greater than one year.

Property as of December 31, 2020, is as follows:

	2020
Building	$698,851
Land	258,220
Equipment	67,350
Furniture and Fixtures	62,062
Total Fixed Assets	1,086,483
Less Accumulated Depreciation	(257,003)
	$829,480

Depreciation expense for the years ended December 31, 2020 was $19,133.

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.

Income Taxes. The Center is organized as a Colorado nonprofit corporations and have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as organizations described in Section 501(c)(3), qualify for the charitable contribution deduction under Sections 170(b)(1)(A)(vi) and (viii), and have been determined not to be private foundations under Sections 509(a)(1) and (3), respectively. Each entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. We have determined that each entity is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

We believe that each entity has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. We would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Recently issued accounting standards. In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The update is intended to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements. The update is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. The Center is evaluating the effect that this Update will have on its financial statements.

NOTE 2 - ECONOMIC DEPENDENCY

The Center received a substantial amount of its total revenue and other support from Caring for Denver (approximately 32% in 2020), Victims Assistance and Law Enforcement (approximately 17% in 2020), Law Assistance for Victims Grant (approximately 8% in 2020), and Victims of Crime Act (approximately 33% in 2020). A significant reduction in the level of such support, if this were to occur, may have an adverse effect on the Center's programs and activities.

NOTE 3 - GRANTS RECEIVABLE

Management believes that grants receivable at year-end are deemed fully collectible. An allowance for doubtful accounts is required by generally accepted accounting standards. However, based on the historical collection experience of The Center for Trauma & Resilience, management feels that all pledges are collectible and an allowance for doubtful accounts is not deemed appropriate.

NOTE 4 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures,* provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB 820 are described as follows:

Level 1— Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2—Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3—Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020.

Beneficial Interest in Assets held by Community First: Valued at the fair value of the underlying assets, as reported to The Center by Community First.

The preceding methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while The Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, The Center's assets at fair value as of December 31, 2020:

Assets at Fair Value as of December 31, 2020

	Level 1	Level 2	Level 3	Total
Beneficial Interest in Assets held by Community First	$ -	$22,541	$ -	$22,541
Total assets at fair value	$ -	$22,541	$ -	$22,541

NOTE 5 – BENEFICIAL INTEREST IN PERPETUAL TRUST

The Center is named as a beneficiary in assets held by the Community First Foundation. The agreement provides distributions of income; however the underlying assets will not be distributed to The Center. The Center values these beneficial interests at the fair value of the underlying assets, which approximates the present value of the estimated future cash flows. The Foundation determines the investments in which the money is invested. The Center may request distributions from the Foundation for amounts in excess of the underlying assets. At this time, the Board of Directors has decided not to request any distributions unless there is a significant financial need. The underlying assets have been classified as permanently restricted, while all income earned on those assets has been classified as temporarily restricted until the Board makes a request for distribution. The change in fair value of this trust is reported in the statement of activities as change in value of beneficial interest in perpetual trusts. The Center values these beneficial interests at the fair value of the underlying assets, which approximates the present value of the estimated future cash flows.

NOTE 6 -COMPENSATED ABSENCES

It is the Center's policy to permit employees to accumulate earned but unused vacation pay benefits. There is no liability for unpaid accumulated sick leave since the Center does not have a policy to pay any amounts for sick leave when employees separate from service with the Center.

NOTE 7 -LONG-TERM DEBT

In September 2011, First Bank approved financing for the Purchase of the building. Monthly principal and interest payments commenced on October 1, 2011 and were due through September, 2021. The loan was modified effect May 21, 2018. The modification agreement established a fixed interest rate of 5.5% with monthly payments of $2,140 to e made from June 1, 2018-April 1, 2028. A single balloon payment of the entire unpaid balance of Principal and interest is due May 1, 2028.

The Center was granted a $257,400 loan under the Paycheck Protection Program "PPP" administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The Center is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Center has initially recorded the loan as a refundable advance and will record the forgiveness in accordance with guidance for conditional contributions when there is no longer a measurable performance or other barrier and a right to return of the PPP loan or when such conditions are explicitly waived. Proceeds from the loan are eligible for forgiveness if The Center maintains employment levels during its 24-week covered period and uses the funds for certain payroll, rent, and utility expenses. No contribution revenue has been recorded for the year ended December 31, 2020. The Center will be required to repay any remaining balance, plus interest accrued at 1% per annum at the maturity date, April 1, 2022

The outstanding principal balance at December 31, 2020 was:

Promissory Note Payable	$	326,917
Paycheck Protection Program Loan		257,400
		584,317
Less: Current Portion		(7,654)
Notes Payable, Net of Current Portion	$	576,663

Following are maturities of long-term debt for each of the next five years:

2021	7,654
2022	265,450
2023	8,656
2024	9,250
2025	9,897
Thereafter	283,410
Total:	$ 584,317

NOTE 8-RETIREMENT PLAN

Employees who have completed four months of employment may participate in a tax-deferred retirement plan. This is a voluntary method for employees to use their pre-tax dollars to save for retirement. The Center does not provide any matching contributions.

NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS

The Center has received certain contributions with donor imposed purpose restrictions. The net assets with donor restrictions fund balance at December 31, 2020 $598,011, is restricted by the donor for a specified purpose.

Net assets with donor restriction consists of the following at December 31, 2020:

Restricted for Victims of the Aurora Theater Shooting	$	14,791
Restricted for Use in 2021		563,220
Held in Trust at Community First Foundation (Note 5)		20,000
Net Assets with Donor Restriction	$	598,011

Net assets released from net assets with donor restrictions are as follows:

	2020
Funds spent for specified purpose	$ 8,857

NOTE 10 - AVAILABLE RESOURCES AND LIQUIDITY.

Financial assets available for general expenditure within one year of the balance sheet consist of the following:

	2020
Cash and Cash Equivalents and Restricted Cash	$ 1,353,278
Grants Receivable	298,405
Foundations Receivable	7,420
Total Financial Assets	1,659,103
Less net assets with Donor restrictions, including restricted cash	(598,011)
Financial Available for General Expenditure	$1,061,092

As part of The Center's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments.

NOTE 11- SUBSEQUENT EVENTS

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through October 12, 2021, the date the financial statements were available to be issued.

On June 23, 2021 the SBA transferred an amount to First Bank to cover all of CTR's outstanding principal and interest on its paycheck protection program loan.

The Center for Trauma & Resilience
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

Federal Grantor/Pass Through Grantor/Program Title	CFDA NUMBER	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE		
Direct:		
Legal Assistance for Victims (LAV)	16.524	$ 129,456
Limited English Proficiency (LEP)	16.582	80,596
Total Direct Funding		210,052
Passed through Colorado Office of Children, Youth & Families		
Domestic Violence Program (DVP)	93.671	58,026
COVID 19- Domestic Violence Program (DVP)	93.671	21,176
Total DVP		79,202
Temporary Assistance for Needy Families (TANF)	93.558	14,430
Passed through Colorado Department of Public Safety		
Victims of Crime Act (VOCA)	16.575	646,575
Total Pass-through Funding		740,207
TOTAL FEDERAL EXPENDITURES		$ 950,259

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of The Center for Trauma & Resilience under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of The Center for Trauma & Resilience, it is not intended to and does not present the financial position, changes in net assets, or cash flows of The Center for Trauma & Resilience

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on a cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represents adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

3. SUBRECIPIENTS

No federal awards were passed through to subrecipients for the year-ended December 31, 2020.

4. NONCASH PROGRAM ACTIVITY

There was no noncash assistance included in the Schedule of Federal Expenditures for the year ended December 31, 2020.

5. INDIRECT COST RATE

The Center for Trauma & Resilience has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

Board of Directors
The Center for Trauma & Resilience
Denver, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Center for Trauma & Resilience, which comprise the statement of financial position as of December 31, 2020 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 12, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Center for Trauma & Resilience's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Center for Trauma & Resilience's internal control. Accordingly, we do not express an opinion on the effectiveness of The Center for Trauma & Resilience's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Center for Trauma & Resilience's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Watson Coon Ryan, LLC

WATSON COON RYAN, LLC
CENTENNIAL, COLORADO

October 12, 2021

WATSON COON RYAN
CERTIFIED PUBLIC ACCOUNTANTS

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Independent Auditor's Report

Board of Directors
The Center for Trauma & Resilience
Denver, Colorado

Report on Compliance for Each Major Federal Program

We have audited The Center for Trauma & Resilience's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Center for Trauma & Resilience's major federal programs for the year ended December 31, 2020. The Center for Trauma & Resilience's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of The Center for Trauma & Resilience's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Center for Trauma & Resilience's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of The Center for Trauma & Resilience's compliance.

Opinion on Each Major Federal Program

In our opinion, The Center for Trauma & Resilience complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of The Center for Trauma & Resilience is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The Center for Trauma & Resilience's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Center for Trauma & Resilience's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Watson Coon Ryan, LLC

WATSON COON RYAN, LLC
CENTENNIAL, COLORADO
OCTOBER 12, 2021

The Center for Trauma & Resilience
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

SUMMARY OF AUDITORS RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified?	____ Yes	x No
Significant deficiencies identified?	____ Yes	x No
Noncompliance material to financial statements noted?	____ Yes	x No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified?	____ Yes	x No
Significant deficiencies identified?	____ Yes	x None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes	x No
Identification of major federal programs:	**16.575** Victims of Crime Act	
Dollar threshold used to distinguish between type A and type B programs:	$ 750,000	
Auditee qualified as a low-risk auditee?	____ Yes	x No

Section II: Financial Statement Findings

There were no findings for the year ended December 31, 2020.

Section III: Federal Awards Findings

There were no findings for the year ended December 31, 2020.

Section IV: Status of Prior Year Findings

2019-001:

Criteria: Accounting standards require accounts receivable be reviewed for outdated/incorrect balances and for completeness, as well as for collectability and that all intercompany and interdivision balances be eliminated.

Condition and Context: For the year ended December 31, 2019, The Center for Trauma and Resilience included several outdated and incorrect receivable balances, as well as interdepartmental balances that were not properly accounted for resulting in adjusting entries.

Update: Corrective action taken in 2020.

2019-002:

Criteria: Accounting standards require accounts payable and accrued expenses be reviewed for outdated or incorrect balances and for completeness.

Condition and Context: For the year ended December 31, 2019, The Center for Trauma and Resilience included an outdated accrued expense that were not properly accounted for resulting in adjusting entries in the audit. There were also several invoices that had not been included in accrued expenses.

Update: Corrective action taken in 2020.

2019-003:

Criteria: Accounting standards require expenses be reviewed for outdated and incorrect balances and for completeness.

Condition and Context: For the year ended December 31, 2019, The Center for Trauma and Resilience did not record depreciation on its fixed assets.

Update: Corrective action taken in 2020.