

Dress for Success Cincinnati and Affiliate

**Consolidated Financial Statements
with Supplementary Information
December 31, 2020 and 2019, and
Independent Auditors' Report**

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE
December 31, 2020 and 2019

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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, 2020 and 2019, 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, 2020 and 2019, 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.

BARNES DENNIG

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 15 to 20 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 20, 2021
Cincinnati, Ohio

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

**Consolidated Statements of Financial Position
December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Assets		
Cash and cash equivalents	\$ 755,278	\$ 530,020
Pledges, grants and other receivables	131,667	3,337
Donated inventory	463,366	204,248
Prepaid expenses and other assets	14,436	9,278
Property and equipment, net	<u>13,988</u>	<u>31,292</u>
Total assets	<u>\$ 1,378,735</u>	<u>\$ 778,175</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 39,605	\$ 6,747
Straight-line rent liability	<u>74,930</u>	<u>78,196</u>
Total liabilities	<u>114,535</u>	<u>84,943</u>
Net Assets		
Without donor restrictions	837,189	598,281
With donor restrictions	<u>427,011</u>	<u>94,951</u>
Total net assets	<u>1,264,200</u>	<u>693,232</u>
Total liabilities and net assets	<u>\$ 1,378,735</u>	<u>\$ 778,175</u>

See accompanying notes to consolidated financial statements

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidated Statement of Activities Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue			
Grants and contributions	\$ 253,405	\$ 53,950	\$ 307,355
TransformHER campaign donations	-	357,325	357,325
Special events	177,725	-	177,725
Boutique sales	62,759	-	62,759
Donated inventory	318,923	-	318,923
Paycheck Protection Program grants	71,843	-	71,843
Fee for service and other	4,251	-	4,251
Released from restriction	79,215	(79,215)	-
Total support and revenue	968,121	332,060	1,300,181
Expenses			
Program	553,221	-	553,221
Management and general	67,099	-	67,099
Fundraising	108,893	-	108,893
Total expenses	729,213	-	729,213
Change in net assets	238,908	332,060	570,968
Net assets, beginning of year	598,281	94,951	693,232
Net assets, end of year	\$ 837,189	\$ 427,011	\$ 1,264,200

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	<u>47,452</u>	<u>(47,452)</u>	<u>-</u>
Total support and revenue	<u>969,357</u>	<u>(37,452)</u>	<u>931,905</u>
Expenses			
Program	621,632	-	621,632
Management and general	74,094	-	74,094
Fundraising	<u>140,047</u>	<u>-</u>	<u>140,047</u>
Total expenses	<u>835,773</u>	<u>-</u>	<u>835,773</u>
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><u>\$ 598,281</u></u>	<u><u>\$ 94,951</u></u>	<u><u>\$ 693,232</u></u>

See accompanying notes to consolidated financial statements

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

**Consolidated Statements of Functional Expenses
Years Ended December 31, 2020 and 2019**

	2020			2019				
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and benefits	\$ 240,859	\$ 41,749	\$ 38,537	\$ 321,145	\$ 263,318	\$ 48,862	\$ 65,716	\$ 377,896
Legal and professional	66,711	8,339	8,338	83,388	34,044	6,007	-	40,051
Clothing donated	61,641	-	-	61,641	109,080	-	-	109,080
Rent	54,823	3,046	3,045	60,914	93,981	5,221	5,221	104,423
Payroll taxes	22,817	3,955	3,650	30,422	24,108	4,474	6,016	34,598
Consulting	12,084	2,115	16,012	30,211	1,886	-	209	2,095
Telephone and technology	25,087	2,952	1,475	29,514	16,042	1,887	943	18,872
Special events	-	-	26,361	26,361	-	-	44,666	44,666
Depreciation	15,574	866	864	17,304	20,617	1,145	1,146	22,908
Advertising	12,584	-	257	12,841	5,189	649	7,134	12,972
Printing	4,154	218	6,559	10,931	7,625	545	2,723	10,893
Insurance	10,389	-	-	10,389	12,262	-	-	12,262
Supplies	7,115	300	74	7,489	4,995	277	278	5,550
Meeting	6,037	318	-	6,355	1,886	98	1	1,985
Memberships and dues	3,191	598	200	3,989	4,340	814	271	5,425
Bank charges	-	2,320	1,546	3,866	-	3,324	2,216	5,540
Miscellaneous	3,448	-	383	3,831	7,397	-	822	8,219
Repairs and maintenance	2,793	73	74	2,940	3,461	91	92	3,644
Postage	1,012	126	1,394	2,532	1,204	172	2,065	3,441
Travel	2,237	124	124	2,485	9,507	528	528	10,563
Utilities	665	-	-	665	690	-	-	690
Total expenses	\$ 553,221	\$ 67,099	\$ 108,893	\$ 729,213	\$ 621,632	\$ 74,094	\$ 140,047	\$ 835,773

See accompanying notes to consolidated financial statements

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

**Consolidated Statements of Cash Flows
Years Ended December 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Change in net assets	\$ 570,968	\$ 96,132
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Non-cash change in donated inventory	(259,118)	16,743
Depreciation	17,304	22,908
Changes in:		
Pledges, grants and other receivables	(128,330)	1,219
Prepaid expenses and other assets	(5,158)	2,955
Accounts payable and accrued expenses	32,858	(11,923)
Straight-line rent liability	<u>(3,266)</u>	<u>(8,007)</u>
Net cash provided by operating activities	<u>225,258</u>	<u>120,027</u>
Net change in cash and cash equivalents	225,258	120,027
Cash and cash equivalents, beginning of year	<u>530,020</u>	<u>409,993</u>
Cash and cash equivalents, end of year	<u>\$ 755,278</u>	<u>\$ 530,020</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, 2020 and 2019, 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 its contracts with customers 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 require 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 20, 2021, which is the date the financial statements were available to be issued.

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.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

**Notes to Consolidated Financial Statements
(Continued)**

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, 2020 and 2019, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 755,278	\$ 530,020
Pledges, grants and other receivables	<u>131,667</u>	<u>3,337</u>
Total financial assets	886,945	533,357
Less net assets with donor restrictions	(427,011)	(94,951)
Add amounts budgeted for general expenses included in net assets with donor restrictions	<u>67,000</u>	<u>-</u>
Total financial assets available for general expenditures within one year	<u>\$ 526,934</u>	<u>\$ 438,406</u>

NOTE 3 TRANSFORMHER CAMPAIGN

During 2020, the Organization embarked on a \$1,200,000 TransformHER fundraising campaign to facilitate the move to a new location, establish a *Fund for the Future*, and create a major gifts program. Donations will be restricted and allocated to all areas of the campaign. Should excess funds be raised, they will be applied to the mission and operation of Dress for Success Cincinnati. As of December 31, 2020, the Organization had raised \$357,325 in donations and pledges toward this campaign and utilized \$21,209 for qualifying campaign expenses.

NOTE 4 PLEDGES, GRANTS AND OTHER RECEIVABLES

Pledges, grants and other receivables at December 31 as due to be collected as follows:

	<u>2020</u>	<u>2019</u>
Due within one year	\$ 91,667	\$ 3,337
Due in one to five years	<u>40,000</u>	<u>-</u>
	<u>\$ 131,667</u>	<u>\$ 3,337</u>

No discount was recorded as of December 31, 2020 and 2019.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements (Continued)

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment at December 31 consisted of the following:

	2020	2019
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	(146,324)	(129,020)
	\$ 13,988	\$ 31,292

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

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

	2020	2019
TransformHER campaign	\$ 336,116	-
Technology	30,719	37,007
ACT assessments	25,968	25,968
Workforce Development programs	25,000	-
Mobile unit	9,186	10,724
Client assistance and incentives	22	2,009
Going Places Network	-	19,243
	\$ 427,011	\$ 94,951

NOTE 7 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, 2020 and 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.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements (Continued)

NOTE 8 OPERATING LEASES

The Organization leases office and retail space under a noncancelable lease that expires in 2024. The 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 \$60,914 in 2020 and \$104,423 in 2019. Subsequent to year-end, this lease was terminated, rental obligations from March 1, 2021 through June 30, 2021 were waived and accrued and unpaid rent for certain months in 2020, which had been withheld pending resolution of the lease termination and were reflected as accounts payable at December 31, 2020, were paid.

On March 4, 2021, the Organization entered into a new lease agreement for office and retail space that commences on June 1, 2021 and expires on November 30, 2031. This lease calls for escalating rental payments to be made over the life of the lease. The straight-line annual rental expense will be \$101,066 per year.

Future minimum lease payments for the new lease will be:

2021	\$	53,553
2022		92,876
2023		94,734
2024		96,628
2025		98,561
		<hr/>
	\$	<u>436,352</u>

NOTE 9 CONCENTRATION

One special event, The Fashion Show, comprised approximately 16% and 31% of total support and revenue for 2020 and 2019, respectively.

NOTE 10 PAYCHECK PROTECTION PROGRAM (PPP) GRANTS

On April 5, 2020, DFSC entered into a term note pursuant to the Coronavirus Aid, Relief, and Economic Security Act's (CARES Act) Paycheck Protection Program (the Program) for \$56,243. All or a portion of the note may be forgiven in accordance with the Program requirements. Interest on the outstanding principal balance will accrue at a fixed rate of 1.00%, but neither principal or interest are due and payable during the initial 6-month deferral period after issuance. After the initial 6-month deferral period expires, the outstanding principal balance that is not forgiven under the Program will convert to an amortizing loan payable in 18 equal installments of principal. On February 8, 2021, DFSC received notification from the bank that the loan was fully forgiven and used in accordance with the Program requirements. Accordingly, DFSC has elected to apply the conditional contribution guidance pursuant to ASC 958-605 to determine the derecognition of the liability. In accordance with this guidance, the derecognition threshold for the liability is when the conditions of the Paycheck Protection Program are "substantially met" and occurred on or before the statement of financial position date.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Notes to Consolidated Financial Statements (Continued)

NOTE 10 PAYCHECK PROTECTION PROGRAM (PPP) GRANTS (CONTINUED)

On April 5, 2020, Portaluca entered into a term note pursuant to the Coronavirus Aid, Relief, and Economic Security Act's (CARES Act) Paycheck Protection Program (the Program) for \$15,600. All or a portion of the note may be forgiven in accordance with the Program requirements. Interest on the outstanding principal balance will accrue at a fixed rate of 1.00%, but neither principal or interest are due and payable during the initial 6-month deferral period after issuance. After the initial 6-month deferral period expires, the outstanding principal balance that is not forgiven under the Program will convert to an amortizing loan payable in 18 equal installments of principal. On February 20, 2021, Portaluca received notification from the bank that the loan was fully forgiven and used in accordance with the Program requirements. Accordingly, Portaluca has elected to apply the conditional contribution guidance pursuant to ASC 958-605 to determine the derecognition of the liability. In accordance with this guidance, the derecognition threshold for the liability is when the conditions of the Paycheck Protection Program are "substantially met" and occur on or before the statement of financial position date.

NOTE 11 COVID-19 PANDEMIC

On March 11, 2020, the World Health Organization ("WHO") recognized COVID-19 as a global pandemic, prompting many national, regional and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary store closures, and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had a significant adverse impact upon many sectors of the economy. Consequently, there was disruption in the Organization's programs and negative impacts to its special events and merchandise sales revenues in 2020.

The COVID-19 pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the Organization's operations and financial results will depend on future developments, including the duration and spread of the outbreak within the market in which the Organization operates and the related impact on consumer confidence and spending, all of which are highly uncertain.

SUPPLEMENTARY INFORMATION

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Financial Position
December 31, 2020

	<u>Dress for Success</u>	<u>Portaluca</u>	<u>Eliminations</u>	<u>Consolidated</u>
Assets				
Cash and cash equivalents	\$ 724,217	\$ 31,061	\$ -	\$ 755,278
Pledges, grants and other receivables	136,075	-	(4,408)	131,667
Donated inventory	371,070	92,296	-	463,366
Prepaid expenses and other assets	11,515	2,921	-	14,436
Property and equipment, net	13,988	-	-	13,988
Total assets	<u>\$ 1,256,865</u>	<u>\$ 126,278</u>	<u>\$ (4,408)</u>	<u>\$ 1,378,735</u>
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 25,092	\$ 18,921	\$ (4,408)	\$ 39,605
Straight-line rent liability	49,852	25,078	-	74,930
Total liabilities	<u>74,944</u>	<u>43,999</u>	<u>(4,408)</u>	<u>114,535</u>
Net Assets				
Without donor restrictions	754,910	82,279	-	837,189
With donor restrictions	427,011	-	-	427,011
Total net assets	<u>1,181,921</u>	<u>82,279</u>	<u>-</u>	<u>1,264,200</u>
Total liabilities and net assets	<u>\$ 1,256,865</u>	<u>\$ 126,278</u>	<u>\$ (4,408)</u>	<u>\$ 1,378,735</u>

See independent auditors' report.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Financial Position
December 31, 2019

	Dress for Success	Portaluca	Eliminations	Consolidated
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
Total assets	\$ 644,112	\$ 134,063	\$ -	\$ 778,175
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
Total liabilities	56,256	28,687	-	84,943
Net Assets				
Without donor restrictions	492,905	105,376	-	598,281
With donor restrictions	94,951	-	-	94,951
Total net assets	587,856	105,376	-	693,232
Total liabilities and net assets	\$ 644,112	\$ 134,063	\$ -	\$ 778,175

See independent auditors' report.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

**Consolidating Statement of Activities
Year Ended December 31, 2020**

	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	\$ 237,681	\$ 53,950	\$ 291,631	\$ 15,724	\$ -	\$ 15,724	\$ -	\$ 253,405	\$ 53,950	\$ 307,355
TransformHER campaign donations	-	357,325	357,325	-	-	-	-	-	357,325	357,325
Special events	177,725	-	177,725	-	-	-	-	177,725	-	177,725
Boutique sales	-	-	-	62,759	-	62,759	-	62,759	-	62,759
Donated inventory	301,197	-	301,197	17,726	-	17,726	-	318,923	-	318,923
Paycheck Protection Program grants	71,843	-	71,843	-	-	-	-	71,843	-	71,843
Fee for service	4,251	-	4,251	-	-	-	-	4,251	-	4,251
Released from restriction	79,215	(79,215)	-	-	-	-	-	79,215	(79,215)	-
Total support and revenue	871,912	332,060	1,203,972	96,209	-	96,209	-	968,121	332,060	1,300,181
Expenses										
	609,907	-	609,907	119,306	-	119,306	-	729,213	-	729,213
Transfer to Dress for Success										
	-	-	-	-	-	-	-	-	-	-
Change in net assets										
	262,005	332,060	594,065	(23,097)	-	(23,097)	-	238,908	332,060	570,968
Net assets, beginning of year	492,905	94,951	587,856	105,376	-	105,376	-	598,281	94,951	693,232
Net assets, end of year	\$ 754,910	\$ 427,011	\$ 1,181,921	\$ 82,279	\$ -	\$ 82,279	\$ -	\$ 837,189	\$ 427,011	\$ 1,264,200

See independent auditors' report.

DRESS FOR SUCCESS CINCINNATI AND AFFILIATE

Consolidating Statement of Activities Year Ended December 31, 2019

	Dress for Success			Port Taluca			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 Functional Expenses Year Ended December 31, 2020

	Dress for Success				Portlucua				Consolidated					
	Management and General		Fundraising		Management and General		Fundraising		Management and General		Fundraising		Total	
	Program	Total	Program	Total	Program	Total	Program	Total	Program	Total	Program	Total	Program	Total
Salaries and benefits	\$ 187,494	\$ 249,992	\$ 53,365	\$ 71,153	\$ 9,250	\$ 8,538	\$ 240,859	\$ 321,145	\$ 41,749	\$ 38,537	\$ 83,388	\$ 61,641	\$ 83,388	\$ 321,145
Legal and professional	62,181	77,726	4,530	5,662	566	566	66,711	61,641	8,339	8,338	61,641	-	8,338	61,641
Clothing donated	61,641	61,641	-	-	-	-	61,641	61,641	-	-	-	-	-	61,641
Rent	35,600	39,555	19,223	21,359	1,068	1,068	54,823	30,422	3,046	3,045	30,422	3,045	3,045	60,914
Payroll taxes	15,723	20,964	7,094	9,458	1,230	1,134	22,817	3,650	3,955	3,650	30,422	3,650	3,650	30,422
Consulting	12,084	30,211	-	-	-	-	12,084	16,012	2,115	16,012	30,211	2,115	16,012	30,211
Telephone and technology	24,274	28,558	813	956	96	47	25,087	29,514	2,952	1,475	29,514	2,952	1,475	29,514
Special events	-	26,361	-	-	-	-	-	26,361	-	-	26,361	-	-	26,361
Depreciation	14,735	16,372	839	932	47	46	15,574	17,304	866	864	17,304	866	864	17,304
Advertising	10,511	10,726	2,073	2,115	-	42	12,584	12,841	-	257	12,841	-	257	12,841
Printing	4,092	10,769	62	162	3	97	4,154	10,931	218	6,559	10,931	218	6,559	10,931
Insurance	8,764	8,764	1,625	1,625	-	-	10,389	10,389	-	-	10,389	-	-	10,389
Supplies	6,402	6,739	713	750	30	7	7,115	7,489	300	74	7,489	300	74	7,489
Meeting	6,037	6,355	-	-	-	-	6,037	6,355	318	-	6,355	318	-	6,355
Memberships and dues	3,191	3,989	-	-	-	-	3,191	3,989	598	200	3,989	598	200	3,989
Bank charges	-	-	-	-	2,320	1,546	-	3,866	2,320	1,546	3,866	2,320	1,546	3,866
Miscellaneous	2,993	3,325	455	506	-	51	3,448	3,831	-	383	3,831	-	383	3,831
Repairs and maintenance	2,132	2,244	661	696	17	18	2,793	2,940	73	74	2,940	73	74	2,940
Postage	986	2,466	26	66	3	37	1,012	1,394	126	1,394	2,532	126	1,394	2,532
Travel	2,237	2,485	-	-	-	-	2,237	2,485	124	124	2,485	124	124	2,485
Utilities	665	665	-	-	-	-	665	665	-	-	665	-	-	665
Total expenses	\$ 461,742	\$ 609,907	\$ 91,479	\$ 119,306	\$ 14,630	\$ 13,197	\$ 553,221	\$ 729,213	\$ 67,099	\$ 108,893	\$ 275,992	\$ 175,992	\$ 451,885	\$ 729,213

Total expenses

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

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