

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

TABLE OF CONTENTS

JUNE 30, 2024 AND 2023

Accountants' Review Report	1
Statements of Financial Position	4
Statements of Activities	5
Statements of Cash Flows	6
Statements of Functional Expenses	7
Notes to Financial Statements	8-13



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CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees and Management
Utah Valley Family Support Center, Inc.
Orem, Utah

We have reviewed the accompanying financial statements of Utah Valley Family Support Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Utah Valley Family Support Center, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information included in the supplementary statements of support, revenues, and expenses -- budget and actual is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have not audited or reviewed the supplemental information, and, accordingly, we do not express an opinion a conclusion, nor provide any assurance on such information.

Gilbert & Stewart

Gilbert & Stewart

Provo, Utah
April 17, 2025

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2024 AND 2023

<u>Assets</u>	<u>2024</u>	<u>2023</u>
<u>Current Assets</u>		
Cash and cash equivalents	\$ 233,714	\$ 139,084
Investments	215,474	194,506
Grants and contributions receivable	25,614	49,437
Therapy fees receivable, net of allowance for uncollectibles	212,267	49,882
Total current assets	687,068	432,908
<u>Property and Equipment</u>		
Land	1,093,689	768,689
Building	2,508,081	2,508,081
Building improvements	329,014	329,014
Furniture and equipment	84,397	41,160
Less: Accumulated depreciation	(469,033)	(383,869)
Net property and equipment	3,546,148	3,263,075
Total assets	\$ 4,233,216	\$ 3,695,984
<u>Liabilities and Net Assets</u>		
<u>Current Liabilities</u>		
Accounts payable	\$ 81,247	\$ 13,747
Accrued liabilities	8,414	3,837
Accrued salaries/wages	44,786	41,852
Payroll taxes payable	4,964	13,549
Current portion of long-term liabilities	39,349	33,196
Total current liabilities	178,759	106,181
<u>Long-term Liabilities</u>		
Mortgage payable	435,852	138,749
Less current portion	(39,349)	(33,196)
Total long-term liabilities	396,503	105,553
Total liabilities	575,262	211,734
<u>Net Assets</u>		
Without donor restrictions	3,657,954	3,484,250
With donor restrictions	-	-
Total net assets	3,657,954	3,484,250
Total liabilities and net assets	\$ 4,233,216	\$ 3,695,984

See accompanying notes and accountants' review report.

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues and support						
Prevention and general support:	<u>Without Donor Restrictions</u>		<u>With Donor Restrictions</u>		<u>Totals</u>	
Direct Public Grants	\$ 126,682	\$ 44,333	\$ -	\$ -	\$ 126,682	\$ 44,333
Direct Public Support	340,593	95,150	-	-	340,593	95,150
Government Contracts	-	-	558,449	560,016	558,449	560,016
Government Grants	-	2,000,000	-	-	-	2,000,000
Indirect Public Support	30,484	3,477	-	-	30,484	3,477
Total prevention and general support revenue	<u>497,758</u>	<u>2,142,960</u>	<u>558,449</u>	<u>560,016</u>	<u>1,056,208</u>	<u>2,702,976</u>
Therapy fees and other fees for services:						
Government Contracts	150,685	101,181	-	-	150,685	101,181
Government Grants	-	-	-	-	-	-
Indirect Public Support	796,100	627,674	-	-	796,100	627,674
Gain on Investments	20,968	-	-	-	20,968	-
Gain on Disposal of Assets	-	13,542	-	-	-	13,542
Total therapy and other service fees	<u>967,753</u>	<u>742,396</u>	<u>-</u>	<u>-</u>	<u>967,753</u>	<u>742,396</u>
Net assets released from restrictions as restrictions were satisfied	<u>558,449</u>	<u>560,016</u>	<u>(558,449)</u>	<u>(560,016)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>2,023,961</u>	<u>3,445,372</u>	<u>-</u>	<u>-</u>	<u>2,023,961</u>	<u>3,445,372</u>
Functional Expenses						
Program:						
Prevention	657,269	503,817	-	-	657,269	503,817
Treatment	887,298	708,147	-	-	887,298	708,147
Supporting services:						
Management and general	275,553	222,956	-	-	275,553	222,956
Fundraising	30,138	25,064	-	-	30,138	25,064
Total expenses	<u>1,850,258</u>	<u>1,459,984</u>	<u>-</u>	<u>-</u>	<u>1,850,258</u>	<u>1,459,984</u>
Increase (Decrease) in net assets	173,703	1,985,388	-	-	173,703	1,985,388
Net assets at beginning of year	3,484,250	1,498,862	-	-	3,484,250	1,498,862
Net assets at end of year	<u>\$ 3,657,954</u>	<u>\$ 3,484,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,657,954</u>	<u>\$ 3,484,250</u>

See accompanying notes and accountants' review report.

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
Cash Flows From Operating Activities		
Increase (Decrease) in net assets	\$ 173,703	\$ 1,985,388
Adjustments to reconcile change in net assets to net cash provided by (used by) operating activities:		
Depreciation	85,164	52,969
Gain on Disposal of Assets	-	(13,542)
(Increase) Decrease in receivables	(138,562)	121,921
Increase (Decrease) in accounts payable	67,502	3,156
Increase (Decrease) in accrued liabilities	4,576	(4,472)
Increase (Decrease) in accrued salaries/wages	2,934	5,315
Increase (Decrease) in payroll taxes payable	(8,586)	(1,202)
Increase (Decrease) in pledges owed United Way	-	(245)
Increase (Decrease) in accrued compensated absences	-	(30,064)
Net cash provided by (used in) operating activities	186,731	2,119,224
Cash flows from investing activities		
Purchase of property & equipment	\$ (368,237)	\$ (2,079,397)
Net cash used in investing activities	\$ (368,237)	\$ (2,079,397)
Cash flows from financing activities		
Additional Debt Incured	325,000	-
Principal paid on mortgage note	(27,897)	(35,459)
Net cash provided (used) by financing activities	297,103	(35,459)
Net increase (decrease) in cash and cash equivalents	115,598	4,368
Cash and cash equivalents at beginning of year	333,590	329,222
Cash and cash equivalents at end of year	\$ 449,188	\$ 333,590
Actual Interest Paid	\$ 16,086	\$ 2,565
Note: The Agency receives significant noncash in-kind donations, as follows:		
Given to Clients	\$ 33,649	\$ 40,388
Program Supplies	\$ -	\$ -
Shared with Other Agencies	\$ -	\$ -
Food	\$ -	\$ -
Total Donations In Kind	\$ 33,649	\$ 40,388

See accompanying notes and accountants' review report.

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2024

	Program Services		Supporting Services		Total
	Prevention	Treatment	Management and General	Fundraising	
Personnel Expenses:					
Salaries	\$371,130	\$562,319	\$168,696	\$22,493	\$ 1,124,637
Fringe Benefits	49,927	75,648	22,694	3,026	151,295
Payroll Taxes	27,468	41,619	12,486	1,665	83,238
Total personnel expenses	448,526	679,585	203,875	27,183	1,359,170
Other Expenses:					
Travel/mileage	3,687	1,317	263	-	5,266
Telephone and internet	11,545	9,189	2,121	707	23,561
Office Expenses	1,686	1,686	5,619	2,248	11,238
Advertising	108	108	-	-	216
Bank Charges	-	-	182	-	182
Bad Debt Expense	-	25,477	-	-	25,477
Utilities	10,946	8,756	2,189	-	21,891
Repairs and maintenance	74,587	59,670	14,917	-	149,174
Supplies-program	5,155	11,475	-	-	16,630
Supplies-food and househol	2,533	-	-	-	2,533
Staff Development	270	4,856	270	-	5,395
Printing/copying	939	751	188	-	1,878
Insurance	-	-	21,254	-	21,254
Licenses and permits	1,283	73	102	-	1,458
Professional services	3,603	2,079	8,176	-	13,857
In-kind contribution	41,778	41,778	-	-	83,555
Interest expense	8,043	6,434	1,609	-	16,086
Taxes	-	-	6,272	-	6,272
Depreciation	42,582	34,066	8,516	-	85,164
Total expenses	\$657,269	\$887,298	\$275,553	\$30,138	\$1,850,258

See accompanying notes and accountants' review report.

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies

Utah Valley Family Support Center, Inc., which operates under the DBA Family Haven, is a nonprofit organization that maintains a crisis respite nursery for victims and potential victims of child abuse, operates programs teaching abuse prevention and parenting skills, provides respite services, and provides therapy for victims and their families. The two general categories of program expenses, as reflected in the statement of activities, are prevention and treatment.

These financial statements are prepared using the accrual method of accounting. The accounting policies conform to generally accepted accounting principles for voluntary health and welfare organizations.

Items of property and equipment, with significant cost or value, are recorded at cost, or if donated, at estimated fair market value at the date of donation. Depreciation/Amortization is computed on a straight-line basis over estimated useful lives of 5-10 years for furniture and equipment, 30 years for building improvements, and 40 years for the building.

Receivables are recorded for therapy fees unpaid at the time the therapy service is rendered. Receivables for United Way indirect contributions and other program revenue are recorded each month in amounts representing 1/12 of the estimated annual amounts communicated to the Agency. Receivables are recorded for earned grant revenue when the conditions of the grants have been fulfilled. An allowance for uncollectible accounts has been provided to reflect, based on historical experience and a specific review of individual therapy accounts receivable balances, the amount of receivables for which collection is not expected. The allowance account was \$64,319 and \$38,842 as of June 30, 2024 and June 30, 2023, respectively. Management reviews and approves individual account balances proposed for write-off.

Preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates by management. Actual results may differ from those estimates. The significant estimates made for these financial statements include the above-noted allowance for uncollectible accounts, depreciation methods for fixed assets, and fair market value for in-kind donations of supplies and services. These estimates may change in the future and the change may be material.

Fiscal year 2019 was the first year that ASU 2016-14 was applied, unrestricted net assets have been reclassified as net assets without donor restrictions. Restricted assets, if any, are classified as net assets with donor restriction. Restricted assets that exist during the year are assets tied to programmatic grants that are funded on a reimbursable basis. The

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 and 2023

Note 1 – Summary of Significant Accounting Policies(continued)

restrictions are met prior to the fund being received so the assets are unrestricted once reimbursement is received. The governing board of directors could also restrict assets for a specific purpose, but no such restrictions exist at this time.

The Statement of Activities is prepared allocating expenses between program and support functions by annually conducting a time study for all positions. Once the study is conducted, the allocations between programs and support are calculated and presented as seen on the statements.

The Agency is exempt from federal income taxes as a non-profit charitable organization under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from state income taxes. Any returns filed prior to 2021 are closed for IRS examination.

Note 2 – Building Lease /Improvements/Acquisition

Prior to March, 1999 the Agency leased the Orem building from United Way of Utah County and paid rent substantially equal to United Way's debt service on financing used to make initial improvements to the building. The Agency also made improvements to the building. From March of 1999 through April of 2009, the Agency leased a building from a foundation which had acquired the building, during which time the foundation paid for significant improvement and expansion of the building to accommodate the growing operating needs of the Agency. During the time the foundation owned the building, the Agency leased the building for a payment of \$2,000 per month. Annual fair market rent during this time was estimated to be approximately \$96,000 per year. The difference between the actual lease payments and the fair market rent was recorded as an in-kind donation. In May of 2009, the Agency acquired the building from the foundation. The foundation required that the Agency pay the foundation \$380,000 for the land and building in order for the foundation to basically recover its cost in the facility. To facilitate the acquisition of the property, the Agency secured a \$390,000 loan from Zions Bank. The bank performed an internal evaluation of the property which estimated the value of the land and building to be \$1,200,000. The difference of \$820,000 between this estimated market value and the \$380,000 required by the foundation was recorded as an in-kind donation from the foundation in the year ended June 30, 2009.

During fiscal year 2023, the Lehi facility was purchased for \$2,070,553. This included an existing building for \$1,551,864 and the accompanying land of \$518,689. The purchase of the facility was done using grant funds that were awarded for that specific purpose. Additional land scheduled for parking was purchased in September of 2023 for \$325,000.

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 and 2023

Note 3 – Economic Dependence

The Agency receives a significant portion of its funding from government grants, and is economically dependent on the continuation of these revenue sources.

Note 4 – Changes in Property and Equipment

The changes in property and equipment for the years ended June 30, 2024 and June 30, 2023 were as follows:

	Balance <u>6/30/23</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>6/30/24</u>
Land	\$ 768,689	\$ 325,000		\$1,093,689
Building	2,508,082			2,508,082
Furniture and equipment	41,160	43,237		84,397
Building improvements	329,014			329,014
Depreciation/Amortization	<u>(383,869)</u>	<u>\$ (85,164)</u>	<u>\$ 0</u>	<u>(469,033)</u>
Net property and equipment	<u>\$3,263,075</u>	<u>\$ 283,073</u>	<u>\$ 0</u>	<u>\$3,546,148</u>

	Balance <u>6/30/22</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>6/30/23</u>
Land	\$ 250,000	\$ 518,689		\$ 768,689
Building	956,218	1,551,864		2,508,082
Furniture and equipment	57,147	8,844	\$(24,831)	41,160
Building improvements	329,014			329,014
Depreciation/Amortization	<u>(369,273)</u>	<u>(52,969)</u>	<u>38,373</u>	<u>(383,869)</u>
Net property and equipment	<u>\$1,223,106</u>	<u>\$ 2,026,428</u>	<u>\$ 13,542</u>	<u>\$3,263,075</u>

Note 5 – Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in two checking accounts and 2 small cash funds. All monetary investments with maturities of less than 30 days are considered cash equivalents. Balances in cash and cash equivalents totaled \$217,930 all of which is covered by FDIC insurance. Management believes the organization is not exposed to significant credit risk on cash and cash equivalents, as the balances were covered by FDIC insurance.

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 and 2023

Note 6 – Investments

Fair Value of Financial Instruments

The Center classifies its investments in accordance with FASB ASC 820, “Fair Value Measurements and Disclosures,” which defines fair value and establishes a framework for measuring fair value under GAAP and requires certain disclosures about fair value measurements. The definition of fair value under FASB ASC 820 focuses on the price that would be received to sell the asset, which is referred to as the exit price. FASB ASC 820 established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels (Level 1, 2 and 3).

Level 1 – Observable inputs that reflect quoted prices for identical assets in active markets that the Company has the ability to access at the measurement date.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets.
- Quoted prices for identical or similar assets in inactive markets.
- Inputs other than quoted prices that are observable for the asset; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3- Unobservable inputs reflecting the Center’s estimates of the assumptions that market participants would use in pricing the asset (including assumptions about risk). Subsequent to initial recognition, the Center may re-measure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

The Center’s investments are valued using level 1.

Investments are recorded at their fair market values at the end of the fiscal year. Any gain or loss whether realized or unrealized is recorded in the statement of activities. All investments carry risk and the board reviews the investment portfolio at least twice annually to review investment performance.

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 and 2023

Note 7 – Liquidity

The Agency's cash and cash equivalents are held in bank accounts allowing maximum availability of liquid resources to meet the current year demands. The Agency's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 217,930
Investments	215,474
Grants and contributions receivable	25,614
Therapy fees receivable, net of allowances	<u>228,051</u>
	\$ 687,068

Note 8 – Contributed Services

The Agency periodically receives donated services for its program functions in the form of unpaid interns. These volunteers assist in therapy functions. The Agency recognized revenue in the amounts of \$49,907 and \$40,388 for intern services for the years June 30, 2024 and June 30, 2023, respectively. The value of other volunteer services is not recorded due to lack of specialized skills.

Note 9 - Retirement Plan

Beginning in July, 2001, the Agency began participating in a defined contribution retirement plan qualified under section 403(b) of the Internal Revenue Code, covering all eligible full-time employees. Employees are allowed to make elective deferrals from their compensation, subject to statutory limits. The Agency contributes 3% of compensation to the plan for eligible employees. The Agency's contributions to the plan were \$12,772 and \$18,743 for the years June 30, 2024 and June 30, 2023, respectively.

UTAH VALLEY FAMILY SUPPORT CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 and 2023

Note 10 - Long-term Debt

In September of 2020 the Agency borrowed \$232,625 from Intermountain Healthcare Foundation, Inc. to refinance the building where their operations are located. The mortgage loan is secured by the land and building. The loan bears interest at rate of 1.6%. Payment is required to be made monthly, beginning in September, 2020. The Agency makes monthly loan payments of \$2,930, payments include principal and interest.

In September 2023, the Agency borrowed \$325,000 from Utah Community Credit Union to finance the purchase of additional land at the Lehi location. The mortgage is secured by the land. The loan bears interest at a rate of 6.5%. Payment is required to be made monthly beginning in November 2023. The Agency makes monthly loan payments of \$2,197, payments include principal and interest.

The combined minimum aggregate maturities for the Intermountain Healthcare Foundation loan at year end are as follows:

Fiscal Year Ending June 30	Principal	Interest	Payments
2025	\$ 39,211	\$ 22,362	\$ 61,573
2026	40,133	21,440	61,573
2027	41,088	20,485	61,573
2028	18,532	19,564	38,096
2029	7,308	19,058	26,366
2030-2034	44,569	87,262	131,830
2035-2039	61,630	70,200	131,830
2040-2044	85,223	46,607	131,830
2044-2048	98,158	11,534	109,693
Total Future Minimum Payments	435,852	318,511	754,364
Amounts Representing Interest			318,511
Present Value of Net Minimum Payments			\$ 435,852