

THE JOE TORRE SAFE AT HOME FOUNDATION

Financial Statements

For the Years Ended April 30, 2017 and 2016



THE JOE TORRE SAFE AT HOME FOUNDATION
For the Years Ended April 30, 2017 and 2016

INDEX

	<u>Page</u>
Independent Auditor's Report	1-2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Cash Flows	6
Statements of Functional Expenses	7-8
Notes to Financial Statements	9-13



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Joe Torre Safe at Home Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of The Joe Torre Safe at Home Foundation (the "Foundation"), which comprise the statements of financial position as of April 30, 2017 and 2016, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Joe Torre Safe at Home Foundation as of April 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Buchbinder Tunick & Company LLP

BUCHBINDER TUNICK & COMPANY LLP

New York, NY
February 22, 2018

THE JOE TORRE SAFE AT HOME FOUNDATION
Statements of Financial Position
April 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,748,747	\$ 2,620,189
Contributions receivable	245,734	269,132
Prepaid expenses	<u>62,515</u>	<u>49,641</u>
Total current assets	3,056,996	2,938,962
Property assets, net of accumulated depreciation of \$221,313 and \$208,372 at April 30, 2017 and 2016, respectively	57,104	28,775
Security deposits	<u>3,143</u>	<u>3,141</u>
Total assets	<u>\$ 3,117,243</u>	<u>\$ 2,970,878</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 94,567	\$ 222,150
Annual dinner deposits	<u>68,500</u>	<u>103,500</u>
Total current liabilities	163,067	325,650
Deferred rent	<u>53,183</u>	<u>39,939</u>
Total liabilities	<u>216,250</u>	<u>365,589</u>
Net assets:		
Unrestricted	2,743,118	2,340,139
Temporarily restricted	<u>157,875</u>	<u>265,150</u>
Total net assets	<u>2,900,993</u>	<u>2,605,289</u>
Total liabilities and net assets	<u>\$ 3,117,243</u>	<u>\$ 2,970,878</u>

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Statement of Activities
For the year ended April 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and support:			
Contributions	\$ 1,127,781	\$ 122,500	\$ 1,250,281
Annual dinner revenue	1,691,181	-	1,691,181
Less: direct expense	<u>550,693</u>	<u>-</u>	<u>550,693</u>
Net annual dinner revenue	<u>1,140,488</u>	<u>-</u>	<u>1,140,488</u>
Golf event revenue	432,966	-	432,966
Less: direct expense	<u>154,657</u>	<u>-</u>	<u>154,657</u>
Net golf event revenue	<u>278,309</u>	<u>-</u>	<u>278,309</u>
LA event revenue	415,909	-	415,909
Less: direct expense	<u>121,366</u>	<u>-</u>	<u>121,366</u>
Net LA event revenue	<u>294,543</u>	<u>-</u>	<u>294,543</u>
Other event revenue	<u>(4,042)</u>	<u>-</u>	<u>(4,042)</u>
Interest and dividend income	<u>1,161</u>	<u>-</u>	<u>1,161</u>
Contributed services	<u>350,312</u>	<u>-</u>	<u>350,312</u>
Net assets released from purpose restrictions	<u>229,775</u>	<u>(229,775)</u>	<u>-</u>
Total revenue and support	<u>3,418,327</u>	<u>(107,275)</u>	<u>3,311,052</u>
Expenses:			
Program services	2,229,894	-	2,229,894
Supporting activities:			
Management and general	387,285	-	387,285
Fundraising	<u>398,169</u>	<u>-</u>	<u>398,169</u>
Total expenses	<u>3,015,348</u>	<u>-</u>	<u>3,015,348</u>
Change in net assets	402,979	(107,275)	295,704
Net assets - unrestricted:			
Beginning of year	<u>2,340,139</u>	<u>265,150</u>	<u>2,605,289</u>
End of year	<u>\$ 2,743,118</u>	<u>\$ 157,875</u>	<u>\$ 2,900,993</u>

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Statement of Activities
For the year ended April 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and support:			
Contributions	\$ 728,145	\$ 300,000	\$ 1,028,145
Annual dinner revenue	968,938	-	968,938
Less: direct expense	<u>359,592</u>	<u>-</u>	<u>359,592</u>
Net annual dinner revenue	<u>609,346</u>	<u>-</u>	<u>609,346</u>
Golf event revenue	555,496	-	555,496
Less: direct expense	<u>139,735</u>	<u>-</u>	<u>139,735</u>
Net golf event revenue	<u>415,761</u>	<u>-</u>	<u>415,761</u>
LA event revenue	536,392	-	536,392
Less: direct expense	<u>111,519</u>	<u>-</u>	<u>111,519</u>
Net LA event revenue	<u>424,873</u>	<u>-</u>	<u>424,873</u>
Other event revenue	<u>69,758</u>	<u>-</u>	<u>69,758</u>
Interest and dividend income	<u>2,048</u>	<u>-</u>	<u>2,048</u>
Contributed services	<u>120,000</u>	<u>-</u>	<u>120,000</u>
Net assets released from purpose restrictions	<u>34,850</u>	<u>(34,850)</u>	<u>-</u>
Total revenue and support	<u>2,404,781</u>	<u>265,150</u>	<u>2,669,931</u>
Expenses:			
Program services	1,767,772	-	1,767,772
Supporting activities:			
Management and general	358,202	-	358,202
Fundraising	<u>523,639</u>	<u>-</u>	<u>523,639</u>
Total expenses	<u>2,649,613</u>	<u>-</u>	<u>2,649,613</u>
Change in net assets	(244,832)	265,150	20,318
Net assets - unrestricted:			
Beginning of year	<u>2,584,971</u>	<u>-</u>	<u>2,584,971</u>
End of year	<u>\$ 2,340,139</u>	<u>\$ 265,150</u>	<u>\$ 2,605,289</u>

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Statements of Cash Flows
For the years ended April 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 295,704	\$ 20,318
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	12,941	18,432
(Increase) decrease in operating assets:		
Contributions receivable	23,398	(51,328)
Prepaid expenses	(12,874)	83,929
Security deposits	(2)	15,083
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(127,583)	106,030
Annual dinner deposits	(35,000)	1,865
Deferred rent	<u>13,244</u>	<u>34,047</u>
Net cash provided by operating activities	<u>169,828</u>	<u>228,376</u>
Cash flows from investing activities:		
(Purchase of) fixed assets	<u>(41,270)</u>	<u>(28,844)</u>
Net cash (used in) investing activities	<u>(41,270)</u>	<u>(28,844)</u>
Net increase in cash and cash equivalents	128,558	199,532
Cash and cash equivalents:		
Beginning of year	<u>2,620,189</u>	<u>2,420,657</u>
End of year	<u>\$ 2,748,747</u>	<u>\$ 2,620,189</u>

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Statement of Functional Expenses
For the year ended April 30, 2017

	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Salaries	\$ 907,016	\$ 216,054	\$ 248,703	\$ 1,371,773
Payroll taxes	68,471	16,310	18,774	103,555
Employee benefits	111,717	26,611	30,633	168,961
Program expenses	509,969	-	-	509,969
Rent	141,728	33,760	38,862	214,350
Telephone	14,027	3,341	3,846	21,214
Stationery, printing and postage	3,779	900	1,037	5,716
Insurance	-	17,270	-	17,270
Professional fees	2,785	17,321	4,919	25,025
Design and media preparation	238,505	-	-	238,505
Educational outreach	120,015	-	-	120,015
Depreciation	8,557	2,038	2,346	12,941
Subscriptions	3,263	777	895	4,935
Travel and entertainment	18,702	4,455	5,128	28,285
Credit card charges	-	-	20,718	20,718
Website	-	29,068	-	29,068
Office supplies	4,435	1,056	1,216	6,707
Miscellaneous	76,925	18,324	21,092	116,341
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenses	<u>\$ 2,229,894</u>	<u>\$ 387,285</u>	<u>\$ 398,169</u>	<u>\$ 3,015,348</u>

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Statement of Functional Expenses
For the year ended April 30, 2016

	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Salaries	\$ 736,661	\$ 213,166	\$ 340,523	\$ 1,290,350
Payroll taxes	56,772	16,428	26,243	99,443
Employee benefits	88,491	25,606	40,905	155,002
Program expenses	471,631	-	-	471,631
Rent	116,467	33,702	53,837	204,006
Telephone	10,938	3,165	5,056	19,159
Stationery, printing and postage	3,353	970	1,550	5,873
Insurance	-	21,283	-	21,283
Professional fees	79,236	16,800	5,730	101,766
Educational outreach	120,000	-	-	120,000
Depreciation	10,523	3,045	4,864	18,432
Subscriptions	2,548	737	1,178	4,463
Travel and entertainment	20,879	1,449	2,982	25,310
Credit card charges	-	-	17,532	17,532
Website	-	7,304	-	7,304
Office supplies	3,954	1,144	1,828	6,926
Miscellaneous	46,319	13,403	21,411	81,133
Total expenses	\$ 1,767,772	\$ 358,202	\$ 523,639	\$ 2,649,613

See notes to financial statements.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements
April 30, 2017 and 2016

Note 1 - Nature of Operations

The Joe Torre Safe at Home Foundation (the "Foundation") was founded by Joseph P. Torre and incorporated in the State of Missouri as a nonprofit corporation on May 15, 2002. The Foundation's mission is to develop educational programs to end the cycle of domestic violence and save lives. The Foundation is classified as a public charity under the provisions of Section 509(a)(1) of the Internal Revenue Code (the "IRC") and is exempt from federal income taxes under Section 501(c)(3) of the IRC.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting.

Basis of Presentation

The Foundation's net assets and revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted net assets – net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that will be met either by actions of the Foundation or the passage of time.

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation.

Revenue is reported as increases in unrestricted net assets unless its use is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. Contributions whose restrictions are met in the year of contribution are reported as unrestricted. The Foundation does not have any permanently restricted net assets as of April 30, 2017 and 2016.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents. At April 30, 2017 and 2016, cash equivalents primarily consist of money market funds.

Contributions Receivable

The Foundation carries its contributions receivable at cost, less an allowance for doubtful accounts as needed. The Foundation evaluates its contributions receivable on a periodic basis and establishes an allowance for doubtful accounts, when deemed necessary, based on its history of past write-offs and collections and current credit conditions. The Foundation considers contributions at April 30, 2017 and 2016 to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Fixed Assets

Depreciation of fixed assets is provided on the straight-line method over the estimated useful lives of the assets:

<u>Assets</u>	<u>Useful Life</u>
Computer software	3 years
Computer equipment	5 years
Furniture and equipment	7 years
Leasehold improvements	Shorter of estimated useful life or remaining length of lease

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (Continued)

Program Expenses

Program expenses, consisting of facility establishment, educational outreach and public information, are reported as an expense and a liability of the Foundation when approved by the Foundation's Board of Directors.

Contributed Services

Contributed services are recognized if the services received: (a) create or enhance a nonfinancial asset, or (b) required specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The Foundation recognizes contributed services from several firms primarily for design and advertising services that were utilized in operations during the years ended April 30, 2017 and 2016. These contributed services have been recorded at their approximate fair value. Contributed services for the years ended April 30, 2017 and 2016 totaled approximately \$350,312 and \$120,000, respectively.

Income Taxes

The Foundation files an annual Form 990, *Return of Organization Exempt from Income Tax*, with the Internal Revenue Service (the "IRS"). At April 30, 2017, the Foundation's Form 990s for the years 2014 through 2017 remain eligible for examination by the IRS.

Deferred Rent

Deferred rent is recognized when the straight-line of rental payments exceeds the cash payments made by the Foundation for rent expense.

Functional Classification of Expenses

In the accompanying statements of activities, expenses have been reported by their functional classification, a method of grouping expenses according to the purpose for which they were incurred. The primary functional classifications are program services and supporting activities. Program services are the activities that result in services being provided to members that fulfill the purposes or mission for which the organization exists. Supporting activities are all activities of an organization other than program services.

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (Continued)

Subsequent Events

The Foundation has evaluated subsequent events and transactions through February 22, 2018, the date that the financial statements were available to be issued.

Note 3 - Property Assets

Property assets, stated at cost at April 30, 2017 and 2016, consist of the following:

	<u>2017</u>	<u>2016</u>
Furniture and equipment	\$ 30,120	\$ 11,955
Computer software and licenses	107,603	85,536
Leasehold improvements	33,667	32,629
Computer equipment	<u>107,027</u>	<u>107,027</u>
	278,417	237,147
Less: accumulated depreciation	<u>(221,313)</u>	<u>(208,372)</u>
Property assets, net	<u>\$ 57,104</u>	<u>\$ 28,775</u>

Note 4 - Commitment

In 2015, the Foundation leased office space pursuant to a lease which will expire in October 2022. During the current year, the Foundation leased additional office space in California pursuant to a lease which will expire in October 2021. Minimum future rental payments under the present, non-cancellable operating leases are as follows:

<u>Years Ending</u> <u>April 30,</u>	<u>Amount</u>
2018	\$ 206,496
2019	212,285
2020	224,120
2021	233,371
2022	227,432
Thereafter	<u>109,592</u>
Total	<u>\$ 1,213,296</u>

THE JOE TORRE SAFE AT HOME FOUNDATION
Notes to Financial Statements (Continued)
April 30, 2017 and 2016

Note 4 - Commitment (Continued)

Total rent expense charged to operations was \$214,350 and \$204,006 for the years ended April 30, 2017 and 2016, respectively.

Note 5 - Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following program expenses:

	<u>2017</u>	<u>2016</u>
Margaret's Place	\$ <u>157,875</u>	\$ <u>265,150</u>
Total	\$ <u>157,875</u>	\$ <u>265,150</u>

Note 6 - Retirement Plan

The Foundation sponsors a defined contribution 403(b) plan (the "Plan") covering all eligible employees of the Foundation. The Foundation makes annual contributions to the Plan equal to a percentage determined by the Foundation prior to the end of each year. For the years ended April 30, 2017 and 2016, the Foundation contributed \$48,532 and \$49,261, respectively, to the Plan.

Note 7 - Concentrations of Risk

Credit Risk

The Foundation maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk with respect to the cash balances.