

**THE SHELTER FOR ABUSED
WOMEN & CHILDREN, INC.**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2021

ROGERS WOOD HILL STARMAN & GUSTASON

PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

2375 TAMiami TRAIL NORTH, SUITE 110

NAPLES, FLORIDA 34103

SHELDON W. STARMAN, C.P.A.
RONALD W. GUSTASON, C.P.A.
SHARON A. BELCHER, C.P.A.
SCOT A. SHEPARD, C.P.A.
SEAN M. NOLAN, C.P.A.
QIONG (KIM) CHEN, C.P.A.
LAURA L. GELMAN
THOMAS J. GANO, C.P.A.

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
FLORIDA INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

OFFICES:
NAPLES 262-1040
MARCO ISLAND 394-7502

INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Shelter for Abused Women & Children, Inc.
Naples, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of The Shelter for Abused Women & Children, Inc. (a nonprofit organization), which comprise of the statement of financial position as of June 30, 2021, and the related statements 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 Shelter for Abused Women & Children, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Shelter for Abused Women & Children, Inc.
Naples, FL

INDEPENDENT AUDITOR'S REPORT, continued

Report on Prior Year Summarized Information

We have previously audited the Organization's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 29, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

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, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis 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 information 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 reports dated February 25, 2022, on our consideration of The Shelter for Abused Women & Children, Inc.'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 those reports 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 Shelter for Abused Women & Children, Inc.'s internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with Government Auditing Standards in considering The Shelter for Abused Women & Children, Inc.'s internal control over financial reporting and compliance.

Rogers Wood Hill Starman & Gustason, P.A.

ROGERS WOOD HILL STARMAN & GUSTASON, P.A.
Certified Public Accountants & Advisors
Naples, Florida
February 25, 2022

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

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THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

(With Comparative Totals for 2020)

ASSETS

	2021		Totals	
	Without Donor Restrictions		2021	
	Undesignated	Designated	With Donor Restrictions Purpose and Time Restrictions	Perpetual in Nature
Cash and cash equivalents	\$ 357,114	\$ -	\$ -	\$ 717,247
Investments - Note 4	1,834,708	25,613,614	2,407,360	24,999,957
Investments - other	137,150	418,138	-	470,707
Grants receivable	1,549,629	-	-	736,895
Pledges receivable - Note 7	1,265,396	-	16,500	219,881
Other grant and contribution receivables	73,750	21,783	-	449,452
Prepaid expenses	122,086	-	-	145,970
Inventory - resale store and special event	247,966	-	72,353	276,682
Property and equipment, net - Note 8	-	15,883,181	-	16,015,966
Total assets	\$ 5,587,799	\$ 41,936,716	\$ 2,496,213	\$ 53,410,559

LIABILITIES AND NET ASSETS

Accounts payable	\$ 71,041	\$ -	\$ -	\$ 103,894
Accrued expenses	774,891	-	-	641,107
Prepaid ticket sales and deposits held	600,063	-	-	196,725
Long-term debt - Note 9	27,000	-	-	36,000
Total liabilities	1,472,995	-	-	977,726
Net assets:				
<u>Without Donor Restrictions</u>				
Designated as endowment fund - Note 14	-	24,958,820	-	18,539,030
Designated for property and equipment	-	15,883,180	-	16,015,966
Designated for capital purchases	-	1,094,716	-	1,205,000
Undesignated	4,114,804	-	-	1,796,863
With Donor Restrictions	4,114,804	41,936,716	-	37,556,859
Purpose and time restrictions - Note 13	-	-	2,496,213	2,352,101
Perpetual in nature - Note 13 and Note 15	-	-	-	3,146,071
Total net assets	4,114,804	41,936,716	2,496,213	43,055,031
Total liabilities and net assets	\$ 5,587,799	\$ 41,936,716	\$ 2,496,213	\$ 44,032,757

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

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021
(With Comparative Totals for 2020)

	2021				Totals	
	Without Donor Restrictions		With Donor Restrictions		2021	2020
	Undesignated	Designated	Purpose and Time Restrictions	Perpetual in Nature		
REVENUES:						
Support from governmental units	\$ 2,769,900	\$ -	\$ -	\$ -	\$ 2,769,900	\$ 1,833,840
United Way of Collier County	15,000	-	-	-	15,000	20,000
Transitional housing rents	31,218	-	-	-	31,218	20,736
Other public support	3,002,813	260,232	602,480	243,760	4,109,285	4,077,841
PPP grant	-	-	-	-	-	629,054
Other public support - in kind	322,967	-	-	-	322,967	340,971
Resale store revenue	1,293,737	-	-	-	1,293,737	1,159,396
Fund raising events - Note 19	1,051,713	-	-	-	1,051,713	1,470,696
Investment return - Note 6	317,694	5,498,597	843,780	-	6,660,071	767,139
Total revenues	8,805,042	5,758,829	1,446,260	243,760	16,253,891	10,319,673
Net assets released from restrictions	884,257	417,891	(1,302,148)	-	-	-
Total revenues and net assets released from restrictions	9,689,299	6,176,720	144,112	243,760	16,253,891	10,319,673
FUNCTIONAL EXPENSES AND RESALE STORE EXPENSES:						
Program services	5,916,048	-	-	-	5,916,048	4,812,046
Supporting services	1,115,677	-	-	-	1,115,677	1,244,593
Total functional expenses	7,031,725	-	-	-	7,031,725	6,056,639
Resale store expenses	339,633	-	-	-	339,633	366,675
Total functional and resale store expenses	7,371,358	-	-	-	7,371,358	6,423,314
INCREASE IN NET ASSETS	2,317,941	6,176,720	144,112	243,760	8,882,533	3,896,359
NET ASSETS - BEGINNING OF YEAR	1,796,863	35,759,996	2,352,101	3,146,071	43,055,031	39,158,672
NET ASSETS - END OF YEAR	\$ 4,114,804	\$ 41,936,716	\$ 2,496,213	\$ 3,389,831	\$ 51,937,564	\$ 43,055,031

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

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Supporting Services</u>			<u>Total Expenses</u>
	<u>Program Services</u>	<u>Fund Raising</u>	<u>Administrative</u>	
Salaries and wages	\$ 3,217,271	\$ 457,592	\$ 250,894	\$ 3,925,757
Payroll taxes and employee benefits	803,743	82,886	41,841	928,470
Total salaries and related expenses	<u>4,021,014</u>	<u>540,478</u>	<u>292,735</u>	<u>4,854,227</u>
Advertising	1,729	-	-	1,729
Books, tapes, and subscriptions	1,644	442	217	2,303
Client assistance and community education	173,386	516	334	174,236
Client assistance - in kind	322,967	-	-	322,967
Dues and membership fees	6,848	1,611	587	9,046
Insurance	167,294	15,957	13,702	196,953
Immokalee expansion expenses	1,365	-	-	1,365
Miscellaneous	20,950	14,915	2,075	37,940
Postage and printing	10,163	3,871	839	14,873
Professional services	75,428	8,355	6,512	90,295
Rent	2,439	643	-	3,082
Repairs and maintenance	226,847	7,191	7,888	241,926
Supplies	40,011	21,372	5,621	67,004
Telephone	63,399	5,789	4,141	73,329
Training and recruiting	16,392	5,655	402	22,449
Travel	8,301	3,728	2,330	14,359
Trucking	23,600	-	-	23,600
Utilities	116,872	7,031	4,717	128,620
Volunteer/staff development	16,902	2,425	3,006	22,333
Uncollectible pledges/bad debt	7,045	1,962	-	9,007
(Gain)/loss on disposal of asset	(19,861)	-	-	(19,861)
Depreciation	<u>611,313</u>	<u>2,577</u>	<u>941</u>	<u>614,831</u>
Sub-total	<u>5,916,048</u>	<u>644,518</u>	<u>346,047</u>	<u>6,906,613</u>
Special events fund raising expenses	-	125,112	-	125,112
Total expenses	<u>\$ 5,916,048</u>	<u>\$ 769,630</u>	<u>\$ 346,047</u>	<u>\$ 7,031,725</u>

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

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

(With Comparative Totals for 2020)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from government units	\$ 2,404,879	\$ 1,544,844
Cash received from United Way of Collier County	15,000	20,000
Cash received from other public support	2,728,659	3,540,218
Cash received from PPP grant	-	629,054
Cash received from resale store	1,293,737	1,159,396
Cash received from fund raising	1,453,938	1,520,631
Investment income received	6,660,071	815,609
Cash paid to suppliers and employees	<u>(6,643,103)</u>	<u>(5,341,263)</u>
Net cash provided by operating activities	<u>7,913,181</u>	<u>3,888,489</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(11,728,224)	(5,075,959)
Proceeds from sale of investments	3,557,678	9,046,107
Purchases of property and equipment	<u>(513,178)</u>	<u>(8,417,630)</u>
Net cash used by investing activities	<u>(8,683,724)</u>	<u>(4,447,482)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions received for donor-restricted endowment	243,760	1,007,170
Contributions received for board designated endowment	260,232	181,446
Investments held for deferred compensation	(84,582)	(74,375)
Payments of long-term debt	<u>(9,000)</u>	<u>(9,000)</u>
Net cash provided by financing activities	<u>410,410</u>	<u>1,105,241</u>
NET INCREASE (DECREASE) IN CASH	(360,133)	546,248
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>717,247</u>	<u>170,999</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 357,114</u>	<u>\$ 717,247</u>
RECONCILIATION OF INCREASE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Increase in net assets	\$ 8,882,533	\$ 3,896,359
Depreciation	645,964	361,573
Contributions received for donor-restricted endowment	(243,760)	(1,007,170)
Contributions received for board designated endowment	(260,232)	(181,446)
Changes in assets and liabilities -		
Grants and pledges receivable	(1,595,840)	290
Prepaid expenses	23,884	1,045,489
Inventory	(43,637)	(91,760)
Accounts payable and accrued expenses	<u>504,269</u>	<u>(134,846)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 7,913,181</u>	<u>\$ 3,888,489</u>

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

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 1 - ORGANIZATION

The Shelter for Abused Women and Children, Inc. ("The Shelter"), was organized in 1986 for the purpose of providing counseling, shelter, and other services to victims of domestic violence and human trafficking in Collier County, Florida.

The Shelter operates a 24-hour Crisis Line, two 60-bed emergency shelters in Naples and Immokalee as well as nine transitional living cottages in Naples. All in-house and outreach programs and services, training and education are provided free of charge.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Contributions

The Shelter reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

In Kind Contributions

In kind contributions are recorded as contributions at their estimated current value at the date of the contribution. Items contributed to the resale store that had not been sold at the balance sheet date are recorded as inventory at their estimated current value.

Contributed Services

During the years ended June 30, 2021 and 2020, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist The Shelter, but these services do not meet the criteria for recognition as contributed services. The Shelter receives approximately 12,000 volunteer hours per year.

Pledges Receivable

Pledges receivable are stated at the amount management expects to collect from outstanding balances. The Shelter establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of specific donors, historical trends, and other information. The Shelter provides an allowance for pledges receivable when collection is considered doubtful. Management reviews the allowance for doubtful pledges receivable monthly. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Inventory - Resale Store

Inventory of contributed resale merchandise at the resale store is carried at its estimated current value.

Investments

Investments in marketable securities are carried at fair value in the Statement of Financial Position. Unrealized gains and losses are included in the change in investment return in the accompanying Statement of Activities.

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES - continued

Property and Equipment

Property and equipment is recorded at cost or, if contributed, at the fair value on the date of contribution. Depreciation is provided on the straight-line basis over the estimated useful lives of five to fifteen years for furniture, fixtures and equipment and thirty-nine years for buildings and improvements.

Cash and Cash Equivalents

For purposes of the statement of cash flows, The Shelter considers as cash and cash equivalents all highly liquid investments with an initial maturity of three months or less. Excluded from this definition of cash equivalents are such amounts that represent funds that have been designated by the Board of Directors for investment.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from these estimates.

Financial Statement Presentation

Net assets and revenues, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net Assets With Donor Restrictions - Net assets subject to donor- (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other purposes specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Expense Allocation

The costs of providing program, management, fundraising, and thrift store activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Comparative Financial Statements

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with The Shelter's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES - continued

Recently Issued Accounting Pronouncements

Revenue Recognition

Effective for the year ended June 30, 2021, The Shelter has adopted the Financial Accounting Board Standard Topic 606 "Revenue from Contracts with Customers". The core principal of this guidance is that an entity should recognize revenue to depict the transfer of 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. To achieve that core principle, an entity should apply the following steps:

1. Identify the contract(s) with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

Since grants approved by the Naples Children & Education Foundation "NCEF" may be impacted by satisfaction of reporting requirements and the grant holds a contingency on performance, The Shelter has determined that the satisfaction of the performance obligation' remains open until all requirements set forth in the grant contract have been met. Accordingly, the revenue related to the grant awarded by NCEF was not recognized during the current year, but will be recognized in the year performance requirements are met and payment is received (expected in FY 2022). The impact for the year ended June 30, 2021, is that revenue of \$200,000 has been deferred and recorded as a liability.

Lease Accounting

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, Leases. It will require that lessees record nearly all leases on the statement of financial position. This will increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing information about leasing arrangements. It is effective for fiscal years beginning after December 15, 2021. The Shelter has elected to not early adopt this standard.

NOTE 3 - LIQUIDITY AND AVAILABILITY

The Shelter routinely monitors liquidity to meet its operating needs and other contractual commitments. The Shelter considers all expenditures related to its ongoing activities. In addition to financial assets available to meet general expenditures, The Shelter operates with a balanced operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Shelter's financial assets that are available within one year of the balance sheet date for general expenditures are as follows:

Financial assets at year-end	\$ 37,527,378
Donor restricted endowment funds	(3,314,821)
Donor restricted for capital projects	-
	<hr/>
Funds available within one year including board designated funds	34,212,557
Less those unavailable for general expenditures within one year, due to board restrictions subject to change:	
Board designated for capital purchases	(1,094,716)
Board designated for endowment fund	(24,958,820)
	<hr/>
Funds available within one year for general expenditures	<u>\$ 8,159,021</u>

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 4 - INVESTMENTS

	<u>Cost 2021</u>	<u>Fair Market Value 2021</u>
Investments consist of the following:		
Money market accounts	\$ 3,233,536	\$ 3,236,594
Equity securities	9,737,393	21,764,865
Fixed income securities	9,980,054	8,077,204
Other	91,839	91,840
Total investments	23,042,822	33,170,503
Less: investments with purpose restrictions	2,407,360	2,407,360
Less: investments perpetual in nature	3,314,821	3,314,821
Investments without restrictions	<u>\$ 17,320,641</u>	<u>\$ 27,448,322</u>
	<u>Cost 2020</u>	<u>Fair Market Value 2020</u>
Investments consist of the following:		
Money market accounts	\$ 1,780,188	\$ 1,995,562
Equity securities	8,919,252	16,303,428
Fixed income securities	7,575,936	6,634,738
Other	66,229	66,229
Total investments	18,341,605	24,999,957
Less: investments with purpose restrictions	1,870,569	1,870,569
Less: investments perpetual in nature	3,052,277	3,052,277
Investments without restrictions	<u>\$ 13,418,759</u>	<u>\$ 20,077,111</u>

NOTE 5 - FAIR VALUE MEASUREMENTS

The Shelter measures fair value as set forth in the Statement of Financial Accounting Standard FASB ASC 820, "Fair Value Measurements." FASB ASC 820 applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. FASB ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that The Shelter has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 5 - FAIR VALUE MEASUREMENTS, continued

The following are the major categories of assets measured at fair value on a recurring basis during the year ended June 30, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fixed income securities	\$ -	\$ 8,077,204	\$ -
Equity securities	21,764,865	-	-
Cash equivalents	3,236,594	-	-
Other	-	-	91,840
	<u>\$25,001,459</u>	<u>\$ 8,077,204</u>	<u>\$ 91,840</u>

NOTE 6 - INVESTMENT RETURN

Investment return is comprised of the following:

	<u>2021</u>	<u>2020</u>
Endowment fund:		
Interest and dividends	\$ 445,838	\$ 503,762
Net investment gains (losses)	6,202,175	243,384
Investment return from endowment fund	<u>6,648,013</u>	<u>747,146</u>
All other sources:		
Interest, dividends and net investment loss	75,665	68,463
Investment return from all other sources	<u>75,665</u>	<u>68,463</u>
Investment fees	<u>(63,607)</u>	<u>(48,470)</u>
Total investment return	<u>\$ 6,660,071</u>	<u>\$ 767,139</u>

NOTE 7 - PLEDGES RECEIVABLE

Pledges consist of unconditional promises to give and are due as follows:

<u>Year ending June 30</u>	<u>SFTS</u>	<u>Rise Campaign</u>	<u>Endowment</u>
2022	\$ 7,255	\$ 141,500	\$ 25,010
2023	-	296,000	25,000
2024	-	291,000	25,000
2025 - 2026	-	582,000	-
	<u>7,255</u>	<u>1,310,500</u>	<u>75,010</u>
Less: unamortized discount	-	35,859	-
Less: reserve for uncollectable pledges	-	-	-
Total	<u>\$ 7,255</u>	<u>\$ 1,274,641</u>	<u>\$ 75,010</u>

Pledges receivable with due dates extending beyond one year are discounted using three-year U.S. Treasury interest rates.

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 8 - PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following:

	<u>2021</u>	<u>2020</u>
Land	\$ 2,164,689	\$ 2,164,689
Building	17,064,937	16,915,748
Leasehold improvements	64,246	64,246
Transportation equipment	154,933	137,473
Furniture and equipment	1,803,671	1,537,946
Construction in progress	80,805	-
	<u>21,333,281</u>	<u>20,820,102</u>
Less: accumulated depreciation	<u>5,450,100</u>	<u>4,804,136</u>
Total	<u>\$ 15,883,181</u>	<u>\$ 16,015,966</u>

NOTE 9 - LONG-TERM DEBT

	<u>2021</u>	<u>2020</u>
Mortgage note payable to Collier County, Florida in annual installments of \$9,000 principal; note is non-interest bearing and is collateralized by a second mortgage on The Shelter property.	<u>\$ 27,000</u>	<u>\$ 36,000</u>

Future maturities of long-term debt at June 30, 2021 are as follows:

Year ending June 30,	
2022	\$ 9,000
2023	9,000
2024	9,000
	<u>\$ 27,000</u>

NOTE 10 - COMMITMENTS

The State of Florida Department of Children and Families has been granted a security interest in The Shelter's property of an amount not less than \$118,802, which it advanced to The Shelter to assist in the construction of the Shelter building. This security interest has been reduced proportionally, and will continue to be reduced proportionally over a twenty-year period, which ends in 2022.

NOTE 11 - INCOME TAXES

The Internal Revenue Service has determined that The Shelter is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Shelter is a not-for-profit Florida corporation and, therefore, is not subject to state income taxes. Should The Shelter's tax exempt status be challenged in the future, its 2020, 2019 and 2018 tax years are open for examination by the IRS.

The Shelter has evaluated its tax positions and concluded that The Shelter has taken no uncertain tax positions, therefore, no provision for income taxes was necessary for the year ended June 30, 2021.

NOTE 12 - EMPLOYEE RETIREMENT PLAN

The Shelter has adopted a retirement plan under Section 401(k) of the Internal Revenue Code. Employees with three months of service are eligible to make contributions to the plan and to receive matching contributions to be made by The Shelter. The Shelter contributed \$76,314 and \$62,728 to the plan during the years 2021 and 2020, respectively.

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 13 - NET ASSETS

Without Donor Restrictions

A portion of the net assets without donor restrictions has been designated by the Board of Directors for capital improvements to the Beau Venturi House, other capital purchases, and for an endowment fund. All of the designated funds are increased/(decreased) by the investment return.

With Donor Purpose Restrictions

Net assets with donor purpose restrictions consist of the funds received for the following purposes:

	<u>2021</u>	<u>2020</u>
Immokalee Emergency Shelter Building Fund	\$ 441,902	\$ 293,325
Children's Programming	199,611	270,000
Transitional Living - Operating	37,662	35,467
Transitional Living - Construction	-	170,000
Other temporarily restricted funds	<u>1,817,038</u>	<u>1,583,309</u>
	<u>\$ 2,496,213</u>	<u>\$ 2,352,101</u>

NOTE 14 - BOARD DESIGNATED ENDOWMENT FUND

In prior years, the Board of Directors designated a portion of net assets without donor restrictions as a general endowment fund to support the mission of The Shelter. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported in net assets without donor restrictions.

As a general rule, The Shelter has a policy of appropriating for distribution each year, if needed, 5% of its board-designated endowment fund's average fair value of the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned, which can be changed at any time. In establishing this policy, The Shelter considered the long-term expected investment return on its endowment fund. Accordingly, over the long term, The Shelter expects the current spending policy to allow its general endowment fund to provide a total return that meets or exceeds the withdrawal rate as well as the annual rate of inflation.

To achieve this objective, The Shelter has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a diversified asset mix that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make a maximum annual withdrawal of 5% of the three-year average market value of the fund as of June 30th of each year if needed, at the discretion of the Board.

Composition of and changes in endowment net assets for the year ended June 30, 2021, were as follows:

Board-designated endowment net assets, beginning of year	\$ 18,539,030
Board designated bequests	921,193
Investment income	5,550,286
Investment fees	<u>(51,689)</u>
Board-designated endowment net assets, end of year	<u>\$ 24,958,820</u>

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 15 - DONOR RESTRICTED ENDOWMENT FUND

The Shelter's donor restricted endowment consists of funds established to support current programs and expansion. As required by generally accepted accounting principles, net assets associated with this donor endowment fund are classified and reported in net assets with restrictions that are perpetual in nature.

The Board of Directors of The Shelter has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, The Shelter classifies as net assets with perpetual restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Investment return on perpetually restricted net assets is classified as unrestricted or purpose restricted in accordance with the direction of the applicable donor gift instruments until those amounts are appropriated for expenditure by The Shelter in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, The Shelter considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of The Shelter, and (7) The Shelter's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. The Shelter has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the funds, if possible. Therefore, The Shelter expects its endowment assets, over time, to produce an average rate of return of approximately 5.8%, annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy. The Shelter has a policy of appropriating for distribution each year a maximum of 5% of the endowment fund's average market value of the prior three years through the fiscal year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, The Shelter considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Shelter expects the current spending policy to allow its endowment funds to grow at a nominal average rate of .8%, annually. This is consistent with The Shelter's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

Composition of and changes in endowment net assets for the year ended June 30, 2021 were as follows:

	<u>Endowment</u>	<u>Kennel Fund</u>	<u>Total</u>
Donor-restricted endowment, beginning of year	\$ 3,096,071	\$ 50,000	\$ 3,146,071
Endowment contributions	<u>218,760</u>	<u>25,000</u>	<u>243,760</u>
Donor-restricted endowment, end of year	<u>\$ 3,314,831</u>	<u>\$ 75,000</u>	<u>\$ 3,389,831</u>

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2021

(With Selected Information for 2020)

NOTE 16 - CONCENTRATION OF CREDIT RISK

The Shelter places the majority of its interest bearing investments with several major financial institutions and, by policy, limits the amount of credit exposure to any one financial institution. The Shelter has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 17 - DEFERRED COMPENSATION PLAN

The Shelter maintains a deferred compensation plan for certain senior employees. The deferred compensation liability under The Shelter's plan was approximately \$418,000 and \$286,000, as of June 30, 2021 and 2020, respectively.

NOTE 18 - LINE OF CREDIT

As of June 30, 2021, the Shelter has a bank line of credit in the amount of \$2,000,000, due on March 10, 2022; collateralized by investment assets; carrying a variable interest rate of LIBOR plus 2.75%. There were no borrowings against the line at June 30, 2021.

NOTE 19 - FUND RAISING EVENTS, NET

Fund raising events revenue and expenses consist of the following:

	2021		
	<u>Revenue</u>	<u>Expenses</u>	<u>Net Total</u>
Annual appeal	\$ 55,955	\$ (7,066)	\$ 48,889
Mending Broken Hearts with Hope Luncheon	665,632	(72,624)	593,008
Bags & Bow Ties	15,571	(28,488)	(12,917)
Men's tailgate	230,883	(10,997)	219,886
Other	83,672	(5,937)	77,735
Net total	<u>\$ 1,051,713</u>	<u>\$ (125,112)</u>	<u>\$ 926,601</u>
	2020		
	<u>Revenue</u>	<u>Expenses</u>	<u>Net Total</u>
Annual appeal	\$ 20,325	\$ (7,958)	\$ 12,367
Mending Broken Hearts with Hope Luncheon	1,167,020	(229,145)	937,875
Men's tailgate	250,306	(36,058)	214,248
Other	33,045	(26,068)	6,977
Net total	<u>\$ 1,470,696</u>	<u>\$ (299,229)</u>	<u>\$ 1,171,467</u>

NOTE 20 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 25, 2022, the date the financial statements were available to be issued.

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2021

	Federal CFDA Number	State Contract Number	Expenditures		
			Federal Funds	State Funds	Total Expenditures
United States Department of Health & Human Services -					
Florida Coalition Against Domestic Violence -					
Temporary Assistance for Needy Families	93.558	LN068 & Basic Need	\$ 146,484	\$ -	\$ 146,484
Family Violence Prevention Services	93.671	LN068 & Basic Need	156,401	-	156,401
Domestic Violence Program	60.134	LN068 & Basic Need	-	132,045	132,045
Child Abuse Domestic Violence Training	60.139	LN068 & Basic Need	-	135,000	135,000
Delta Impact	93.136	21-2228-DELTA	30,613	-	30,613
Total U.S. Department of Health & Human Services pass-through programs			333,498	267,045	600,543
United States Department of Homeland Security -					
Federal Emergency Management Agency -					
Emergency Food & Shelter National Board -					
Emergency Food & Shelter Program	97.024	28-1590-00-010	42,003	-	42,003
Total U.S. Department of Homeland Security & Emergency Food & Shelter pass through programs			42,003	-	42,003
United States Department of Housing and Urban Development -					
Florida Department of Children & Families -					
Collier County, Florida -					
Homeless Assistance Challenge Grant	60.021	HP17A	-	63,050	63,050
Subtotal Homeless Assistance Challenge Grant			-	63,050	63,050
Supportive Housing Program - COC	14.235	FL0295L4D061912	40,940	-	40,940
Supportive Housing Program - COC	14.235	FL0826L4D061900	116,510	-	116,510
Subtotal Supportive Housing program			157,450	-	157,450
Community Development Block Grant	14.218	B-19-UC-12-0016	109,253	-	109,253
Subtotal Community Development Block Grant			109,253	-	109,253
Essential Services & Operating Grant	14.231	E-19-UC-120016	11,771	-	11,771
Essential Services & Operating Grant	14.231	E-20-UC-120016	94,063	-	94,063
Essential Services & Operating - COVID-19 (ESGCV)	14.231	E-20-UW-12-0016	906,613	-	906,613
Subtotal Essential Services & Operating Grant			1,012,447	-	1,012,447
Total U.S. Department of Housing & Urban Development pass through programs			1,279,150	63,050	1,342,200
United States Department of Justice -					
Florida Office of the Attorney General -					
Victims of Crime Assistance	16.575	VOCA-2019 Wo-00270	108,966	-	108,966
Victims of Crime Assistance	16.575	VOCA-2020 Wo-00683	608,034	-	608,034
Subtotal of Victims of Crime Assistance program			717,000	-	717,000
Florida Coalition Against Domestic Violence -					
STOP Violence Against Women Linguistically & Culturally					
STOP Violence Against Women Linguistically & Culturally	16.016	20-2228-CPI	-	15,784	15,784
Victims of Crime Assistance (Legal)	16.575	20-2228VOCA-LEGAL	38,064	-	38,064
Victims of Crime Assistance (EJ)	16.575	20-2228VOCA-EJ	14,306	-	14,306
Subtotal STOP Violence Against Women program			52,370	15,784	68,154
Total U.S. Department of Justice pass through programs			769,370	15,784	785,154
Total			\$ 2,424,021	\$ 345,879	\$ 2,769,900

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - JUNE 30, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of The Shelter, it is not intended to and does not present the financial position, changes in net assets, or cash flows of The Shelter.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit requirements for Federal Awards, wherein certain type of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

The Shelter has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

ROGERS WOOD HILL STARMAN & GUSTASON

PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

2375 TAMiami TRAIL NORTH, SUITE 110
NAPLES, FLORIDA 34103

SHELDON W. STARMAN, C.P.A.
RONALD W. GUSTASON, C.P.A.
SHARON A. BELCHER, C.P.A.
SCOT A. SHEPARD, C.P.A.
SEAN M. NOLAN, C.P.A.
QIONG (KIM) CHEN, C.P.A.
LAURA L. GELMAN
THOMAS J. GANO, C.P.A.

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
FLORIDA INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

OFFICES:
NAPLES 262-1040
MARCO ISLAND 394-7502

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

To the Board of Directors of
The Shelter for Abused Women & Children, Inc.
Naples, Florida

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 Shelter for Abused Women & Children, Inc. (a nonprofit organization), which comprise of the statement of financial position as of June 30, 2021, 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 February 25, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Shelter for Abused Women & Children, Inc.'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Shelter for Abused Women & Children, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Shelter for Abused Women & Children Inc.'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 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 Shelter for Abused Women & Children, Inc.'s financial statements are free of 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 determination of financial statement amounts. 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.

The Shelter for Abused Women & Children, Inc.
Page Two

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, continued

INDEPENDENT AUDITOR'S REPORT, continued

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 results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers Wood Hill Starman & Gustason, P.A.

ROGERS WOOD HILL STARMAN & GUSTASON, P.A.
Certified Public Accountants & Advisors
Naples, Florida
February 25, 2022

ROGERS WOOD HILL STARMAN & GUSTASON

PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

2375 TAMiami TRAIL NORTH, SUITE 110
NAPLES, FLORIDA 34103

SHELDON W. STARMAN, C.P.A.
RONALD W. GUSTASON, C.P.A.
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FLORIDA INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS

OFFICES:
NAPLES 262-1040
MARCO ISLAND 394-7502

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Shelter for Abused Women & Children, Inc.
Naples, Florida

Report on Compliance for Each Major Federal Program

We have audited The Shelter for Abused Women & Children, Inc.'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 Shelter for Abused Women & Children, Inc.'s major federal programs for the year ended June 30, 2021. The Shelter for Abused Women & Children, Inc.'s major 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of The Shelter for Abused Women & Children Inc.'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 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 Shelter for Abused Women & Children, Inc.'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 Shelter for Abused Women & Children, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, The Shelter for Abused Women & Children, Inc. 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 June 30, 2021.

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, Continued

INDEPENDENT AUDITOR'S REPORT, continued

Report on Internal Control over Compliance

Management of The Shelter for Abused Women & Children, Inc. 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 Shelter for Abused Women & Children, Inc.'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 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 Shelter for Abused Women & Children Inc.'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.

Rogers Wood Hill Starman & Gustason, P.A.

ROGERS WOOD HILL STARMAN & GUSTASON, P.A.
Certified Public Accountants & Advisors
Naples, Florida
February 25, 2022

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	None reported

Federal Awards

Internal control over major programs:

Material weakness identified	None reported
Significant deficiencies identified that are not considered to be material weaknesses?	None noted
Type of auditor's report issued on compliance major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule	No

Identification of Major Programs:

One federal program or cluster was treated as a major program:

	<u>CFDA No.</u>	<u>Amount</u>
Essential Services and Operating Grant	14.231	\$ 1,012,447
Dollar threshold used to distinguish between federal governmental assistance Type A and Type B programs:		\$ 750,000
Auditee qualified as low-risk auditee?		Yes

SECTION II - FINANCIAL STATEMENTS FINDINGS

1. There are no significant deficiencies, material weaknesses or instance of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, continued
YEAR ENDED JUNE 30, 2020

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

1. There are no significant deficiencies, material weaknesses, or instances of noncompliance including questioned costs that are required to be reported in accordance with the Uniform Guidance.

THE SHELTER FOR ABUSED WOMEN & CHILDREN, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2021

FINDINGS - FINANCIAL STATEMENT AUDIT

No findings were noted in the 2020 audit.