



***EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
(A NONPROFIT ORGANIZATION)***

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2022



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Empower House (formerly Martinez Street Women's Center)
San Antonio, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Empower House (formerly Martinez Street Women's Center), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Empower House (formerly Martinez Street Women's Center) as of December 31, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Empower House (formerly Martinez Street Women's Center) and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Empower House (formerly Martinez Street Women's Center)'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

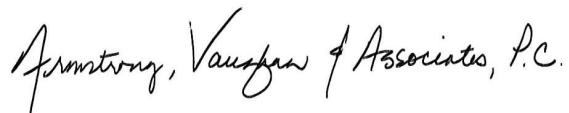
In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Empower House (formerly Martinez Street Women's Center)'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Empower House (formerly Martinez Street Women's Center)'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Empower House (formerly Martinez Street Women's Center)'s December 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 8, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements for which it has been derived.



Armstrong, Vaughan & Associates, P.C.

October 9, 2023



EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022
(with summarized comparative financial information at December 31, 2021)

ASSETS

	2022	2021
<i>Current Assets:</i>		
Cash and Cash Equivalents	\$ 296,479	\$ 210,476
Investments	78,319	85,923
Prepaid Insurance	5,302	5,424
<i>Total Current Assets</i>	380,100	301,823
<i>Property and Equipment:</i>		
Land	52,760	52,760
Building and Improvements	254,785	254,785
Furniture, Fixtures and Equipment	50,224	37,911
Accumulated Depreciation	(46,061)	(30,473)
<i>Total Property and Equipment</i>	311,708	314,983
TOTAL ASSETS	\$ 691,808	\$ 616,806

LIABILITIES AND NET ASSETS

<i>Current Liabilities:</i>		
Accounts Payable	\$ 27,641	\$ 5,087
Grants Payable	6,679	27,100
Payroll Liabilities	36,277	20,196
Note Payable - Due in one year	6,643	5,852
<i>Total Current Liabilities</i>	77,240	58,235
<i>Long-Term Liabilities:</i>		
Note Payable - Due in more than one year	148,632	155,275
<i>Total Long-Term Liabilities</i>	148,632	155,275
<i>Net Assets:</i>		
Without Donor Restrictions	212,386	193,063
Without Donor Restrictions - Property and Equipment Net of related Debt	156,433	153,856
With Donor Restrictions	97,117	56,377
<i>Total Net Assets</i>	465,936	403,296
TOTAL LIABILITIES AND NET ASSETS	\$ 691,808	\$ 616,806

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

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022
(with summarized comparative financial information at December 31, 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
SUPPORT AND REVENUE				
<i>Support:</i>				
Grants	\$ 299,384	\$ 664,825	\$ 964,209	\$ 341,363
Paycheck Protection Program Grant	-	-	-	76,700
Individual Gifts and Donations	87,367	-	87,367	33,144
Contributions	30,810	-	30,810	28,714
Fundraising Events (Net)	-	-	-	33,448
In-Kind Equipment and Supplies	5,362	-	5,362	11,715
<i>Total Support</i>	<u>422,923</u>	<u>664,825</u>	<u>1,087,748</u>	<u>525,084</u>
<i>Revenue:</i>				
Contractual Income	363,185	-	363,185	330,551
Gain (Loss) on Investments, net of fees	(19,850)	-	(19,850)	6,271
Interest and Dividends	1,479	-	1,479	2,829
<i>Total Revenue</i>	<u>344,814</u>	<u>-</u>	<u>344,814</u>	<u>339,651</u>
TOTAL SUPPORT AND REVENUE	<u>767,737</u>	<u>664,825</u>	<u>1,432,562</u>	<u>864,735</u>
EXPENSES				
Program Services	1,252,817	-	1,252,817	796,953
<i>Supporting Services:</i>				
General and Administrative	111,134	-	111,134	193,527
Development	5,971	-	5,971	9,849
TOTAL EXPENSES	<u>1,369,922</u>	<u>-</u>	<u>1,369,922</u>	<u>1,000,329</u>
CHANGE IN NET ASSETS	(602,185)	664,825	62,640	(135,594)
Net Assets Released from Restriction	624,085	(624,085)	-	-
BEGINNING NET ASSETS	<u>346,919</u>	<u>56,377</u>	<u>403,296</u>	<u>538,890</u>
ENDING NET ASSETS	<u>\$ 368,819</u>	<u>\$ 97,117</u>	<u>\$ 465,936</u>	<u>\$ 403,296</u>

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

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(with summarized comparative financial information at December 31, 2021)

FUNCTIONAL EXPENSES	2022		
	Program Expenses		
	Empower Youth	Community Health	Total Program Expenses
Payroll Expenses	\$ 642,118	\$ 187,949	\$ 830,067
Direct Assistance	-	88,320	88,320
Professional Services	68,225	47,595	115,820
Supplies	43,421	6,389	49,810
Marketing	-	-	-
Occupancy	39,903	5,853	45,756
Audit and Accounting	-	-	-
Transportation	13,824	4,265	18,089
Bank and Financing Fees	-	-	-
Food Assistance	17,014	299	17,313
Employee and Board Appreciation	-	-	-
Incentives	1,313	26,227	27,540
IT and Communication	-	-	-
Professional Development	6,247	5,969	12,216
Printing and Postage	2,775	1,722	4,497
Equipment	5,433	-	5,433
Insurance	4,626	-	4,626
Miscellaneous Expenses	13,842	3,901	17,743
Depreciation Expense	14,028	1,559	15,587
TOTAL FUNCTIONAL EXPENSES	\$ 872,769	\$ 380,048	\$ 1,252,817

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

2022

<u>Supporting Services</u>			
General and Administrative	Development	Total	2021
\$ 41,467	\$ -	\$ 871,534	\$ 632,701
-	-	88,320	61,344
26,342	-	142,162	88,827
2,934	-	52,744	31,812
-	5,971	5,971	9,849
2,811	-	48,567	57,663
14,697	-	14,697	33,003
-	-	18,089	9,543
7,731	-	7,731	8,301
-	-	17,313	3,547
1,521	-	1,521	4,391
-	-	27,540	7,976
4,213	-	4,213	3,805
-	-	12,216	12,713
-	-	4,497	4,290
-	-	5,433	-
8,754	-	13,380	10,280
664	-	18,407	7,138
-	-	15,587	13,146
<u>\$ 111,134</u>	<u>\$ 5,971</u>	<u>\$ 1,369,922</u>	<u>\$ 1,000,329</u>

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(with summarized comparative financial information at December 31, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 62,640	\$ (135,594)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	15,587	13,146
Unrealized (Gain) Loss on Investment	25,131	(7,050)
(Increase) Decrease in Grants Receivable	-	34,887
(Increase) Decrease in Prepaid Insurance	122	(4,493)
Increase (Decrease) in Accounts Payable	22,554	7,065
Increase (Decrease) in Grants Payable	(20,421)	(27,100)
Increase (Decrease) in Payroll Liabilities	16,081	(2,745)
Increase (Decrease) in Accrued Vacation	-	13,245
Increase (Decrease) in Interest Payable	-	582
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	121,694	(108,057)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Note Payable	(5,852)	6,635
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(5,852)	6,635
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvestment of Investments	(17,526)	(796)
Acquisition of Property and Equipment	(12,313)	(3,170)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(29,839)	(3,966)
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 86,003	 (105,388)
 BEGINNING CASH AND CASH EQUIVALENTS	 210,476	 315,864
 ENDING CASH AND CASH EQUIVALENTS	 \$ 296,479	 \$ 210,476
 SUPPLEMENTAL DISCLOSURE:		
Interest Expense Paid	\$ 6,586	\$ 7,424

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

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. NATURE OF ACTIVITIES

The Empower House (formerly Martinez Street Women's Center) (the Center) is a nonprofit corporation based in San Antonio, Texas founded in 1999. The Center is a resource for providing information, leadership development, civic activities involvement, and Latina voter awareness for girls, women, and families in the active pursuit of their own physical, emotional, and social well-being. The mission of the Center is to provide transformative community health services, youth development programs and advocacy opportunities that empower women and girls of color. Empower House (formerly Martinez Street Women's Center) envisions a world where all women and girls are empowered to transform themselves, their families and their communities.

The Center transforms communities through women and girls by providing access to vital health services, quality education and advocacy. The Center has two major programs: The Empower Youth supports positive development for youth ages 11 – 18 through social emotional learning, academic supports, restorative justice, mental health counseling and other wrap-around services. and the Community Health Program which strengthens families by increasing access to preventative health services and enhancing the knowledge and awareness of health issues in our community. In addition, the Center has a radio station, 101.5 KMSW FM which has BIQPOC produced programs, locally produced content, news programs with a critical perspective of justice and music to inspire their current movements.

2. BASIS OF PRESENTATION

The accompanying financial statements of the Center have been prepared on the accrual basis of accounting in accordance with U. S. generally accepted accounting principles. Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in the general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated. The Center has no board-designated net assets without donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that will be met by actions of the Center and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Net assets with donor restrictions that are received and expended in the same year are recorded as net assets without donor restrictions.

3. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all monies in checking, savings and money market accounts.

5. FAIR VALUE MEASUREMENT

The Center has adopted the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

FASB ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximized the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Center. Unobservable inputs are inputs that reflect the Center's assumptions about the assumptions that market participants would use in pricing the assets or liability on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the reliability of input as follow:

Level 1 – Valuations are based on quoted prices in active markets for identical assets or liabilities that the Center has the ability to access. Valuation adjustments are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily available in an active market, valuation of these products does not entail a significant degree of judgement.

Level 2 – Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.

Level 3 – Valuations are based on inputs that are observable and significant to the overall fair value measurement.

6. INVESTMENTS

Unless donor or law restricts the income or loss, investment income or loss (realized and unrealized gains and losses on investment, interest and dividends) is included in the increase in net assets without donor restrictions. Investment revenue is shown net of any investment fees.

7. INVESTMENT RISKS

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the near term could materially affect the amounts reported in the accompanying financial statements.

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

8. PREPAID INSURANCE

Prepaid Insurance represents expenses paid in advance of the actual services received. The expense will be recognized in the period for which the services were paid has elapsed.

9. PROPERTY AND EQUIPMENT

Property and equipment is stated at cost at date of acquisition or fair value at date of donation in the case of gifts. The Center capitalized property and equipment valued at or greater than \$500 with useful lives greater than one year. Depreciation on the property and equipment is calculated using the straight-line method. The estimated useful lives of the assets for the purposes of depreciation are as follows:

<u>Property and Equipment</u>	<u>Useful Life (Years)</u>
Building and Improvements	39
Furniture, Fixtures and Equipment	5

10. REVENUE RECOGNITION

Contributions and grants are recognized as revenue when a gift or promise to give that is unconditional is received. Conditional promises to give are those with a measurable performance or other barrier and a right of return and are not recognized until the conditions on which they depend have been met. As of December 31, 2022, there are no conditional promises to give. Special event revenue is recognized when the event occurs.

Program fees and contract income are recorded as revenues when the performance obligations are satisfied and when the promised goods or services are transferred to customers in an amount that reflects the consideration to which the Center expects to be entitled in exchange for those goods or services.

In accordance with GAAP, revenue is recorded when earned rather than when received. Revenues received in advance of when the performance obligations are met are recorded as contract liability. As of December 31, 2022, the Center has not recorded any contract liability.

11. FUNCTIONAL EXPENSE ALLOCATION

The costs of providing the Center's various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. Costs are directly applied to the related program or supporting service category when identifiable and possible. The expenses that are allocated include salaries which are allocated on the basis of estimates of time and effort.

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

12. INCOME TAX STATUS

The Center is exempt from federal and state income taxes under Internal Revenue Code Section 501(a)(9).

The most significant tax positions of the Center is its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business income tax (UBIT). All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. The Center's tax years for 2019 through 2021 are open to examination by the Internal Revenue Service as of December 31, 2022.

13. CONTRIBUTED SERVICES

The Center receives a substantial amount of services donated by its volunteers in carrying out the Center's mission. No amounts have been reflected in the financial statements for those services since they do not enhance the nonfinancial assets or require specialized skills.

14. RECLASSIFICATION

Certain amounts from the December 31, 2021 financial statements have been reclassified to enhance comparability to current year amounts. These reclassification had no impact on the change in net assets.

15. COMPARATIVE TOTALS

The financial statement for the year ended December 31, 2021 are presented only to provide a basis for comparison with the year ended December 31, 2022. The 2021 financial statements are not intended to present all information necessary for the fair presentation in accordance with U.S. Generally Accepted Accounting Principles. Accordingly, such information should be used in conjunction with the Center's financial statements for the year ended December 31, 2021 from which the summarized information was derived.

16. CONCENTRATION OF CREDIT RISK

The Center maintains cash accounts at various financial institutions. Deposits in excess of \$250,000 per institution are not covered by Federal Deposit Insurance. As of December 31, 2022, the Center had \$56,896 of deposits in excess of insurance limits.

17. SUBSEQUENT EVENTS

Subsequent events are considered through October 9, 2023, which is the date the financial statements were available to be issued.

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

NOTE B -- INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments at December 31, 2022 in the amount of \$78,319 consisted of equities and taxable fixed income. A roll-forward of earnings and losses for investment funds for the year ended December 31, 2022 is as follows:

Beginning Balance, December 31, 2021	\$ 85,923
Realized Gains (Losses)	6,272
Unrealized Gains (Losses)	(25,131)
Interest and Dividends	1,374
Investment Fees	(991)
Purchase of Investments	10,872
Ending Balance, December 31, 2022	<u>\$ 78,319</u>

The historical cost and fair market value of the investment account as of December 31, 2022 is as follows:

	<u>Level 1</u>
Cost	\$ 81,308
Fair Value	78,319
Cumulative Gain (Losses)	<u>\$ (2,989)</u>

NOTE C -- CHANGES IN PROPERTY AND EQUIPMENT AND ACCUMULATED DEPRECIATION

Property and equipment activity for the year ended December 31, 2022, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Land*	\$ 52,760	\$ -	\$ -	\$ 52,760
Building and Improvements	254,785	-	-	254,785
Less: Accumulated Depreciation	(16,436)	(6,534)	-	(22,970)
Furniture Fixtures and Equipment	37,911	12,313	-	50,224
Less: Accumulated Depreciation	(14,037)	(9,054)	-	(23,091)
Net Property and Equipment	<u>\$ 314,983</u>	<u>\$ (3,275)</u>	<u>\$ -</u>	<u>\$ 311,708</u>

*Land is not depreciated.

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2022

NOTE D -- NOTE PAYABLE

On June 21, 2019, the Center executed an interest-bearing (real estate lien) note in the amount of \$176,000 to secure the purchase of real property located in San Antonio, Texas. The principle balance and any accrued and unpaid interest is due and payable by the making of 240 monthly payments of \$1,081 beginning August 2019. The note bears interest at the rate of 4.16% and accrues on a monthly basis. The note is collateralized against the acquired real property at 200 Donaldson St., San Antonio, Texas. This property has been renovated and is now the main establishment for the Center's program activity. As of December 31, 2022 the loan balance \$155,275. Interest expense in 2022 was \$6,586.

Remaining payments on the note are scheduled as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 6,643	\$ 6,334	\$ 12,977
2024	6,925	6,052	12,977
2025	7,219	5,758	12,977
2026	7,525	5,452	12,977
2027	7,844	5,133	12,977
2028-2032	44,499	20,386	64,885
2033-2037	54,768	10,117	64,885
2038-2039	19,852	695	20,547
	<u>\$ 155,275</u>	<u>\$ 59,927</u>	<u>\$ 215,202</u>

NOTE E -- NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2022 are as follows:

Direct Assistance - COVID	\$ 5,686
Community Health	16,185
VOCA	12,807
Texas Education Agency	(22,274)
SAAF - Access To Care	9,918
Methodist HealthCare Ministries	(351)
HEB Tournament of Champions	918
EFS National Board PGM Award	25,000
Economic Mobility - MHM	11,932
Alice Kleberg	37
Partners for Racial Equity	37,259
	<u>\$ 97,117</u>

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2022

NOTE E -- NET ASSETS WITH DONOR RESTRICTIONS (CONT.)

The uses of net assets released from restriction for the year ended December 31, 2022 are as follows:

Direct Assistance - COVID	\$ 11,691
Community Health	1,315
Kleberg Whole Woman Whole World	21,500
VOCA	52,193
Texas Education Agency	160,714
SAAF - Access To Care	43,719
Methodist HealthCare Ministries	144,219
HEB Tournament of Champions	26,582
EFS National Board PGM Award	30,000
Economic Mobility - MHM	79,448
Alice Kleberg	29,963
Partners for Racial Equity	22,741
	<u>\$ 624,085</u>

NOTE F -- CONCENTRATION OF DONATIONS

During 2022, the Center received 38.2% of its revenue from a substantial contract with United Way covering 3 programs. An additional 17.1% of its revenue came from a single contributor.

NOTE G -- EMPLOYEE BENEFITS

Full-time employees are eligible for benefits after a 90-day probationary period. The Center pays 65% of group medical insurance for its full-time employees. Employees are eligible to enroll for coverage as of the first of the month following the date of hire for full-time employees.

NOTE H -- LOCAL GOVERNMENT CONTRACT

The Center's accounting system follows operation guidelines in accounting for the City of San Antonio for contract for services. Revenue and expenses zero out related to this grant are included in these financial statements.

EMPOWER HOUSE (FORMERLY MARTINEZ STREET WOMEN'S CENTER)
 NOTES TO FINANCIAL STATEMENTS (CONT.)
 DECEMBER 31, 2022

NOTE I -- RENT

Beginning in September 2016, the Center has rented commercial space at 801 North Olive Street, San Antonio, Texas from the City of San Antonio (the City) for its long-term use as one of their main headquarters. Under the rental agreement, the Center will pay no direct rent, but has agreed to provide needed services to the community, as well as, to be responsible for interior maintenance of the building and the payment of quarterly utility costs over and above the 2013 quarterly baseline amounts. The City has determined that the 2013 quarterly average for utilities is \$705.

The Center is also required to maintain certain levels of insurance and to list the City as additionally insured. In 2022, the Center incurred \$4,747 in utility bills at the Olive Street space. No in-kind revenue or expense has been recorded for the rent, as both parties consider this a mutual transaction based on the agreement.

In March 2021, the Center entered into a 36-month extension with the City to begin May 1, 2021. It is important to note there are no other provisions in the current lease extension agreement allowing for additional rental extension options without approval vote of the City Council.

NOTE J -- PAYCHECK PROTECTION PROGRAM

The Center received forgivable a loan through the Small Business Association's Paycheck Protection Program for \$76,700 to be used on payroll, rent and utilities. Management elected to treat the program as a conditional grant and recognized the revenue as the conditions were met. The loan has been forgiven in full as of December 31, 2021, and all of the revenue was recognized in 2021.

The Center did not receive a forgivable loan in 2022.

NOTE K -- LITIGATION

The Center's management is not aware of any pending or threatened litigation.

NOTE L -- LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The Center has a goal to maintain financial assets on hand to meet at least 3 months of normal operating expenses (excluding in-kind and depreciation) which were approximately \$112,414 per month in 2022, given full programmatic expenses. The Center has \$200,441 (1.8 months) of financial assets available to meet cash needs in the next year for general expenditures as of December 31, 2022 as shown in the table below.

Current Assets	\$ 380,100
Less Prepaid Insurance	(5,302)
Less Current Liabilities	(77,240)
Less Net Assets with Donor Restrictions	<u>(97,117)</u>
Total Financial Assets Available to Meet	
Cash for General Expenditure Needs	<u>\$ 200,441</u>

