GaryMcGee & Co. LLP
CERTIFIED PUBLIC ACCOUNTANTS

Store to Door

Financial Statements and Other Information
as of and for the Year Ended December 31, 2014
and Independent Accountants' Review Report

STORE TO DOOR

TABLE OF CONTENTS

GaryMcGee & Co. LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors
Store to Door:

We have reviewed the accompanying statement of financial position of Store to Door as of December 31, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services,* issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying 2014 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States.

The accompanying 2013 summarized comparative information has been derived from the financial statements of Store to Door as of December 31, 2013. The 2013 financial statements were reviewed by us, and in our report dated February 19, 2014, we stated we were not aware of any material modifications that should be made to those statements for them to be in conformity with accounting principles generally accepted in the United States.

Gary McGee & Co. LLP

February 17, 2015

808 SW Third Avenue, Suite 700 Portland, Oregon 97204 p: 503 222 2515 f: 503 222 6401 www.garymcgee.com

STORE TO DOOR

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2014

(WITH COMPARATIVE AMOUNTS FOR 2013)

	2014	2013
Assets:		
Cash	$ 163,065	152,638
Accounts receivable	970	1,232
Grants receivable *(note 3)*	30,000	20,000
Gift card inventory	10,611	2,000
Auction inventory	4,707	–
Capital assets *(note 4)*	4,720	2,014
Total assets	$ 214,073	177,884
Liabilities:		
Accounts payable and accrued expenses	37	57
Accrued payroll liabilities	4,647	2,490
Conditional gifts	4,707	–
Total liabilities	9,391	2,547
Net assets:		
Unrestricted:		
Available for programs and general operations	134,962	98,915
Net investment in capital assets	4,720	2,014
Total unrestricted	139,682	100,929
Temporarily restricted *(note 5)*	65,000	74,408
Total net assets	204,682	175,337
Commitments *(note 8)*		
Total liabilities and net assets	$ 214,073	177,884

See independent accountants' review report and accompanying notes to financial statements.

STORE TO DOOR

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2014

(WITH COMPARATIVE TOTALS FOR 2013)

	2014			
	Unrestricted	Temporarily restricted	Total	2013
Revenues, gains, and other support:				
Contributions	$ 235,775	65,850	301,625	295,259
In-kind contributions	20,580	–	20,580	25,446
Delivery income	42,807	–	42,807	38,836
Customer receipts	330,680	–	330,680	297,244
Gift card discount	19,492	–	19,492	17,747
Coupon revenue	9,092	–	9,092	9,389
Interest income	27	–	27	33
Other revenue	251	–	251	871
Loss on the disposal of capital assets	–	–	–	(921)
Total revenues and gains	658,704	65,850	724,554	683,904
Net assets released from restrictions *(note 6)*	75,258	(75,258)	–	–
Total revenues, gains, and other support	733,962	(9,408)	724,554	683,904
Expenses *(note 7)*:				
Program services	546,404	–	546,404	462,412
Supporting services:				
Management and general	69,833	–	69,833	63,362
Fundraising	78,972	–	78,972	73,904
Total expenses	695,209	–	695,209	599,678
Increase (decrease) in net assets	38,753	(9,408)	29,345	84,226
Net assets at beginning of year	100,929	74,408	175,337	91,111
Net assets at end of year	$ 139,682	65,000	204,682	175,337

See independent accountants' review report and accompanying notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2014
(WITH COMPARATIVE TOTALS FOR 2013)

		2014				
		Program services	Management and general	Fundraising	Total	2013
Payroll and related expenses	$	172,219	38,116	64,047	274,382	223,691
Professional services		–	25,168	3,190	28,358	29,006
Market purchases		332,770	–	–	332,770	298,839
Occupancy		7,664	1,696	2,850	12,210	9,140
Office supplies		1,202	266	447	1,915	1,811
Telephone		2,254	499	838	3,591	3,689
Equipment lease and maintenance		2,802	226	379	3,407	2,500
Insurance		2,384	528	886	3,798	3,828
Vehicle expense		7,878	–	–	7,878	8,012
Postage and delivery		1,553	344	577	2,474	2,515
Printing and publications		6,659	478	801	7,938	6,497
Provision for doubtful collection of receivables		309	–	–	309	576
Other		7,521	2,249	4,515	14,285	7,195
Total expenses before depreciation		545,215	69,570	78,530	693,315	597,299
Depreciation		1,189	263	442	1,894	2,379
Total expenses	$	546,404	69,833	78,972	695,209	599,678

See independent accountants' review report and accompanying notes to financial statements.

S T O R E T O D O O R

STATEMENT OF CASH FLOWS

Y E A R E N D E D D E C E M B E R 3 1 , 2 0 1 4

(W I T H C O M P A R A T I V E T O T A L S F O R 2 0 1 3)

	2014	2013
Cash flows from operating activities:		
Cash received from contributors	$ 291,625	276,677
Cash received from service recipients	382,532	346,080
Other receipts	251	871
Interest income	27	33
Cash paid to employees and suppliers	(659,408)	(551,303)
Net cash provided by operating activities	15,027	72,358
Cash flows from investing activities:		
Purchases of property and equipment	(4,600)	–
Net cash used in investing activities	(4,600)	–
Net increase in cash	10,427	72,358
Cash at beginning of year	152,638	80,280
Cash at end of year	$ 163,065	152,638

See independent accountants' review report and accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

1. Organization

Store to Door is a private, nonprofit corporation, founded in 1989, which provides weekly, low-cost service shopping for and delivering of groceries, household goods, and prescription medicines to individuals who have difficulty shopping because of age or disability. The service is designed to promote an individual's interest in self-care practices and enhance a continued capacity for independent living.

2. Summary of Significant Accounting Policies

The significant accounting policies followed by the organization are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and the principles of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

Basis of Presentation – The organization has adopted the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") No. 958-605, *Revenue Recognition* and FASB ASC No. 958-205, *Presentation of Financial Statements*. Under these provisions, net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the organization and changes therein are classified and reported as follows:

- *Unrestricted net assets* – Net assets 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 organization and/or the passage of time.

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.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. In the opinion of management, such differences, if any, would not be significant.

Contributions – Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions of Long-Lived Assets – Contributions of equipment and furnishings without donor stipulations concerning the use of such long-lived assets are reported as revenues of the unrestricted net asset class. Contributions of cash or other assets to be used to acquire equipment and furnishings with such donor stipulations are reported as revenues of the temporarily restricted net asset class; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

In-Kind Contributions – Consistent with the requirements of with FASB ASC No. 958-605, *Revenue Recognition*, significant services received which create or enhance a nonfinancial asset or require specialized skills that the organization would have purchased if not donated are recognized in the statement of activities. During the year ended December 31, 2014, $16,564 in contributed services was recorded.

In addition, the organization regularly receives contributed services from a large number of volunteers who assist in program activities and other efforts through their participation in a range of events and by working with staff in a variety of capacities. The organization's management estimates that volunteers donated approximately 12,246 hours of services during the year ended December 31, 2014, representing a value of approximately $271,126. However, consistent with FASB ASC No. 958-605, *Revenue Recognition*, the value of such services has not been recognized in the accompanying financial statements.

In-kind contributions of property, equipment, and other materials are recorded where there is an objective basis upon which to value these contributions and where the contributions are an essential part of the organization's activities. During the year ended December 31, 2014, the organization recorded $4,016 in contributions of materials and equipment.

Capital Assets and Depreciation – Equipment, furnishings, and vehicles are carried at cost, and initially at fair value when acquired by gift. Depreciation is provided on a straight-line basis over the estimated useful lives of the respective assets, generally ten years for furniture and vehicles and three to seven years for equipment.

Revenue Recognition – All contributions and grants are considered available for unrestricted use unless specifically restricted by the donor. Service revenues are recognized at the time services are provided and the revenues are earned. The organization receives full reimbursement from its customers for the cost of each grocery order, plus a modest delivery charge.

Advertising Expenses – Advertising and promotional costs are charged to expense as they are incurred.

Income Taxes – The organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. In addition, the organization has been recognized as a public charity under Sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code. For tax purposes, the organization's open audit periods are for the years ended December 31, 2011 through 2013.

The organization has adopted the recognition requirements for uncertain income tax positions as required by FASB ASC No. 740-10, *Income Taxes*. Under this standard, income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities.

Subsequent Events – As required by FASB ASC No. 855-10, *Subsequent Events*, subsequent events have been evaluated by management through February 17, 2015, which is the date the financial statements were available to be issued.

Summarized Financial Information for 2013 – The accompanying financial information as of and for the year ended December 31, 2013 is presented for comparative purposes only and is not intended to represent a complete financial statement presentation.

Other Significant Accounting Policies – Other significant accounting policies are set forth in the financial statements and the following notes.

3. Grants Receivable

Grants receivable at December 31, 2014 are summarized as follows:

Unconditional promises expected to be collected within:		
Less than one year	$	20,000
From one year to five years		10,000
	$	30,000

Conditional Gifts

At December 31, 2014, the organization also held three conditional gifts totaling $47,500. These gifts are conditioned upon the occurrence of Store to Door's 25th Anniversary Gala and Auction to be held in March of 2015

In addition, at December 31, 2014, the organization held one gift totaling $25,000, conditioned upon the organization satisfactorily conducting the program and grantor approval of required financial and program reports. Of this conditional grant, $20,000 is restricted to funding the Volunteer Outreach Coordinator position; the remaining $5,000 is unrestricted. Accordingly, the revenue associated with these conditional gifts have not been included in the accompanying financial statements because the conditions had not yet been satisfied as of December 31, 2014.

4. Capital Assets

Capital assets at December 31, 2014 primarily consist of vehicles, furnishings, and other office equipment, as follows:

Equipment	$	16,614
Vehicles		21,695
Furnishings		4,389
		42,698
Less accumulated depreciation		(37,978)
	$	4,720

5. Restrictions and Limitations on Net Asset Balances

At December 31, 2014, the organization held $65,000 in temporarily restricted net assets, representing grants restricted by donors, as follows:

Volunteer outreach coordinator position	$	40,000
Purchase of delivery van		10,000
OPI and SNAP participants		10,000
Northwest Portland residents		5,000
	$	65,000

6. Net Assets Released from Restrictions

Net assets released from temporary donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors totaled $75,258.

7. Expenses

The costs of providing the various programs and other activities of the organization 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.

Expenses by natural classification are presented in the statement of functional expenses.

8. Operating Lease

The organization leases its office space, as well as certain office equipment, under noncancellable lease agreements that expire on various dates through June of 2016. At December 31, 2014, the organization's aggregate lease commitments are as follows:

Years ending December 31,		
2015	$	13,032
2016		6,447
	$	19,479

Payments for these leases for the year ended December 31, 2014 totaled $12,696.

9. Reconciliation of Statement of Cash Flows

The following presents a reconciliation of the increase in net assets (as reported on the statement of activities) to net cash provided by operating activities (as reported on the statement of cash flows):

Increase in net assets	$	29,345
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation		1,894
Provision for doubtful collection of receivables		309
Net changes in:		
Accounts receivable		(47)
Grants receivable		(10,000)
Gift card inventory		(8,611)
Auction inventory		(4,707)
Accounts payable and accrued expenses		(20)
Accrued payroll liabilities		2,157
Conditional gifts		4,707
Total adjustments		(14,318)
Net cash provided by operating activities	$	15,027

■

GOVERNING BOARD AND MANAGEMENT

Board of Directors

Marv Kuperstein, *President*

Michael Brine, *Vice President*

Becky Blumer, *Treasurer*

Michelle Carew, *Secretary*

Michael Edgel

Kirsten Jacobs

Jean Pierce

Jon Toorock

Carl Wilson

Anne Woodbury

Management

Kiersten Ware
Executive Director

Katharine Quince
Development Director

INQUIRIES AND OTHER INFORMATION

STORE TO DOOR
7730 S.W. 31st Avenue
Portland, Oregon 97219

(503) 200-3333
office@storetodooroforegon.org

Web site
www.storetodooroforegon.org