



February 1, 2018

2017 Financial Report

Community Development Corporation of Oregon

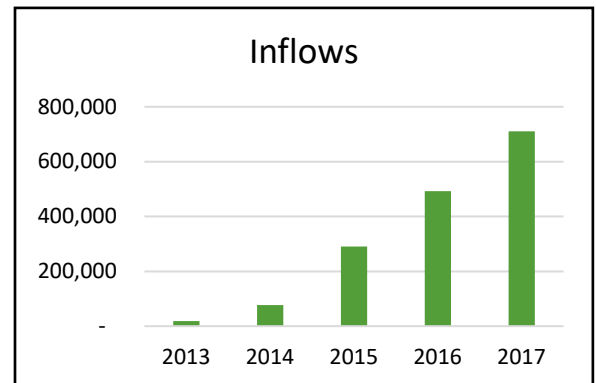
This is a report of the Community Development Corporation of Oregon (dba Rockwood CDC), a 501c3 organization. This report contains the Profit and Loss Statement, the Statement of Cash Flows and the Balance Sheet for the year ended December 31, 2017, plus commentary and notes from management. Numbers are presented on an accrual basis, and incorporate cash, volunteer and gift-in-kind valuations.

REVENUE GROWTH

We enjoyed a substantial growth in revenues, from \$492,391 in 2016 to \$710,453 in 2017. This is an annual increase of 44%.

71% of these inflows came from contributions from individuals, corporations, other non-profits, and government units. We earned 29% of these inflows from services that we provide to agencies and government units, and from the Sunrise Center.

\$299,898 of these revenues are in cash, and \$410,555 are donated professional services, facilities and goods.




Looking forward to 2018, we believe that our revenues will be flat to a slight rise. Growth areas for us include expanding the base of smaller individual donors and cultivating major gift donors who could enable us to expand our English Languages Institute and our rapidly developing microenterprise practice.

ACCOUNTANT REVIEW

The 2017 statement has been reviewed by The Accounting Collective, LLC.

PROFIT AND LOSS STATEMENT

Revenues

 Profit & Loss January through December 2017	
Accrual Basis	
Ordinary Income/Expense	
Income	
Grants and Contributions	
Government	143,188
Nonprofit Organizations	34,901
Businesses	26,642
Individuals	301,052
Total Grants and Contributions	505,783
Program Service Revenue	204,670
Total Income	710,453
Gross Profit	710,453
Expense	
Awards and Grants	255
Business Expenses	1,795
Contract Services	19,054
Facilities and Equipment	90,135
Fundraising	2,499
Operations	50,513
Payroll Expenses	125,474
Travel and Entertainment	380
Inkind Expense	411,063
Total Expense	701,167
Net Ordinary Income	9,286
Net Income	9,286

The growth in revenues from 2016 was driven by increases in all sources.

Facilities are the Sunrise Center that the City of Gresham leases to us and the portable classroom that the Reynolds School District has provided for our use. Valuation:

The Sunrise Center lease was \$0 in 2017, and this will continue until March 2018. We value it for reporting purposes as a \$7,000 per month donation from the City of Gresham, because this was the monthly lease rate that we had when we leased the same building from Picante, LLC in 2014 and 2015; and,

The portable classroom at Alder Elementary is an estimate based on a survey of lease rates for similar units in the Portland metro area. We value the donation at \$1,200 per month.

Gift-in-kind donations of \$75,332 are valued at our estimate of fair market value.

Professional services are valued one of two ways:

- If a professional sends us an invoice that states the value of services, but also “zeroes it out”, then we book the invoice value as both a non-cash donation and expense; and,
- If a professional does not invoice us, but instead records his/her donated hours, we value those hours per the tables that are found at www.bls.gov/oes/current/oes_nat.htm, and then we book this resulting value as both a non-cash donation and expense.

Expenses by program area

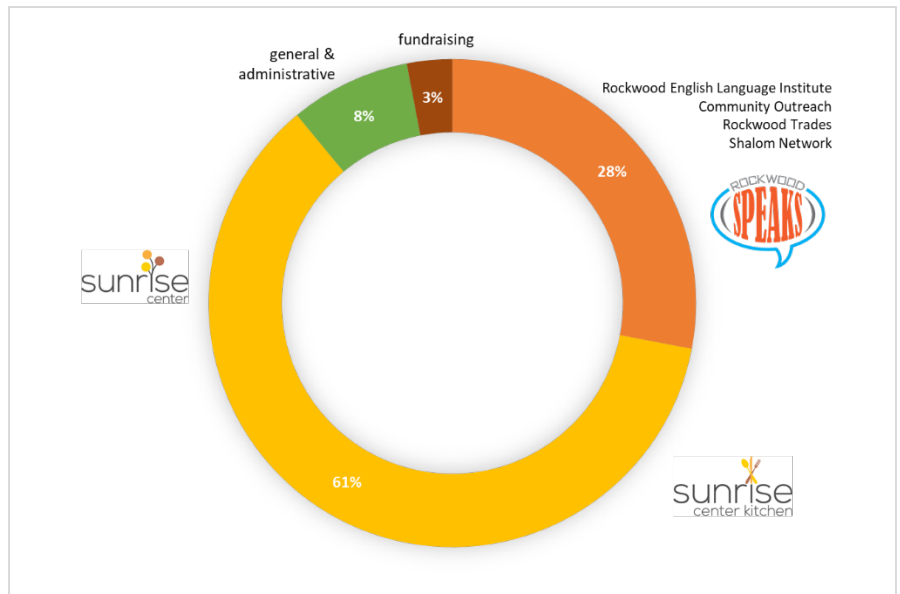
In addition to the breakdown of expenses above, our expenses fell into these categories:

Sunrise Center is the Sunrise Center Kitchen micro-entrepreneur support program, the institutional food program, the catering and events lines of business, the long- and short-term leases of kitchen and office space, and our support of the Food for Families program. Speaks is the Rockwood English Language Institute, the Rockwood Speaks community engagement meetings, the Shalom Network, a community outreach contract on behalf of the City of Gresham, the Rockwood Trades business support program, and the Vance Park program.

Other Indicators

We had volunteer activity that is *not* booked or represented in our financial statements. In 2017, 442 individual people donated 4,981 hours, valued at \$59,772.

We had expenses that are *not* booked or represented in our financial statements. We gave \$13,854 worth of free or reduced Sunrise Center facility rental to these organizations or initiatives: Best HQ, Black Parent Initiative, Cascade AIDS Project, City of Gresham, El Programa Hispanico, Insights Teen Services, Kingdom Nation Church, Mt Hood Community College, Multnomah County, Oregon Home Care Commission, OSU Extension Service, Play grow Learn and Rotary.



BALANCE SHEET AND STATEMENT OF CASH FLOWS


Balance Sheet
 As of December 31, 2017

Accrual Basis

ASSETS

Current Assets

Checking/Savings	5,856
Accounts Receivable	44,896
Total Other Current Assets	<u>19,712</u>

Total Current Assets	<u>70,464</u>
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TOTAL ASSETS	<u>70,464</u>
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LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable	12,005
Total Other Current Liabilities	<u>41,917</u>

Total Current Liabilities	<u>53,922</u>
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Total Liabilities	<u>53,922</u>
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Total Equity	<u>16,542</u>
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TOTAL LIABILITIES & EQUITY	<u>70,464</u>
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Statement of Cash Flows
 January through December 2017

OPERATING ACTIVITIES	
Net Income	9,285
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-8,285
Pledges Receivable	-11,040
HOLDING	96
Security Deposits Asset	7,000
Employee Advances	-17,400
Accounts Payable	5,030
Event & Tenant Deposits	4,890
Loans from Officers, Directors	-103
Payroll Liabilities	20,991
Short-term Notes - Credit Line	<u>5,000</u>
Net cash provided by Operating Activities	15,465
FINANCING ACTIVITIES	
Promissory Notes	<u>-20,629</u>
Net cash provided by Financing Activities	<u>-20,629</u>
Net cash increase for period	-5,165
Cash at beginning of period	<u>12,121</u>
Cash at end of period	<u>6,956</u>

Please contact us at (503) 847-9163 with your comments or for further clarification.