
ST. JAMES INFIRMARY
(A California Non-Profit Organization)
FINANCIAL STATEMENTS
AND
INDEPENDENT ACCOUNTANT'S REVIEW REPORT
YEAR ENDED JULY 31, 2017

 **Patel &**
Associates, LLP
Certified Public Accountants

ST. JAMES INFIRMARY
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors
St. James Infirmary
San Francisco

We have reviewed the accompanying statement of financial position of St. James Infirmary (a nonprofit organization), as of July 31, 2017, and the related statements of activities 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 of America 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 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

Patel & Associates, LLP

**Oakland, California
November 29, 2017**

ST. JAMES INFIRMARY
STATEMENTS OF FINANCIAL POSTION
JULY 31, 2017

ASSETS

Current assets:

Cash and cash equivalents	\$ 172,965
Grant receivable	225,853
Other assets	<u>1,466</u>

Total current assets 400,284

Non-current assets:

Fixed assets, net	<u>31,469</u>
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Total assets 431,753

LIABILITIES AND NET ASSETS

Current liabilities:

Account payable	34,232
Payroll tax liabilities	<u>7,522</u>

Total liabilities 41,754

Net assets:

Unrestricted	224,479
Temporarily restricted (Note 6)	<u>165,520</u>

Total net assets 389,999

Total liabilities and net assets \$ 431,753

The accompanying notes are an integral part of these financial statements

**ST. JAMES INFIRMARY
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JULY 31, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions and grants	\$ 604,851	\$ 331,262	\$ 936,113
Fundraising income	16,932		16,932
Other income	56,563		56,563
Net assets released from restrictions (Note 6)	<u>331,262</u>	<u>(331,262)</u>	
Total support and revenue	<u>1,009,608</u>	<u> </u>	<u>1,009,608</u>
EXPENSES			
Program services	759,018		759,018
Support services	<u>266,120</u>	<u> </u>	<u>266,120</u>
Total expenses	<u>1,025,138</u>	<u> </u>	<u>1,025,138</u>
Change in net assets	(15,530)		(15,530)
Net assets, beginning of year	<u>240,009</u>	<u>165,520</u>	<u>405,529</u>
Net assets, end of year	<u><u>\$ 224,479</u></u>	<u><u>\$ 165,520</u></u>	<u><u>\$ 389,999</u></u>

The accompanying notes are an integral part of these financial statements

**ST. JAMES INFIRMARY
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JULY 31, 2017**

Cash flows from operating activities:

Change in net assets:	\$ (15,530)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	6,884
Decrease (increase) in:	
Grant receivables	34,475
Other assets	(16)
Increase (decrease) in:	
Accounts payable	(13,392)
Payroll liabilities	<u>1,319</u>
Net cash flow from operating activities	<u>13,740</u>

Cash flows from investing activities:

Purchase of Furniture and equipment	<u>(23,845)</u>
Net cash flow from investing activities	<u>(23,845)</u>
Change in cash and cash equivalents	(10,105)
Cash and cash equivalent, beginning of year	<u>183,070</u>
Cash and cash equivalent, ending of year	<u><u>\$ 172,965</u></u>

The accompanying notes are an integral part of these financial statements

ST. JAMES INFIRMARY
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017

NOTE 1: NATURE OF ACTIVITIES

St. James Infirmary was formed on May 6, 1999 as a nonprofit organization located in San Francisco County. St. James Infirmary is a peer-based Occupational Safety & Health Clinic for sex workers founded by Call off Your Old Tired Ethics, and is a joint project between Exotic Dancers Alliance, and the STD Prevention and Control Services of the City and County of San Francisco Department of Public Health. These partners share common philosophies and have linked to share services, resources, and expertise for the benefit of all sex workers.

St. James Infirmary derives support for its programs and services from grants, contracts and contributions awarded by the City and County of San Francisco Department of Public Health and private foundations and corporations.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

St. James Infirmary prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Financial Statement Presentation

St. James Infirmary reflects its activities into the following classes of net assets:

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

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of St. James Infirmary and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by St. James Infirmary. Generally, the donors of these assets permit St. James Infirmary to use all or part of the income earned on any related investments for general or specific purposes.

St. James Infirmary had no permanently restricted net assets as of July 31, 2017.

ST. JAMES INFIRMARY
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017

NOTE 2- SIGNIFICANT ACCOUNTING POLICIES (Continued)

Support and Revenue

Government contract revenue is funded primarily by San Francisco Department of Public Health, Department(s) on the Status of Women, Violence Against Women and San Francisco AIDS Foundation. St. James Infirmary recognizes revenues from grants and contracts when earned.

Contributions

Contributions, including unconditional promises to give, are recognized as revenue 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 and funds are received. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenue of the temporarily restricted net asset class, and a reclassification to unrestricted net assets is made to reflect the expiration of such restrictions. Contributions of assets other than cash are recorded at their estimated fair value.

Fixed Assets and Facilities

Fixed assets purchased by St. James Infirmary are recorded at cost when the purchase exceeds \$500. Donations of fixed assets are recorded at their estimated fair value. Depreciation is provided on a straight-line basis over the estimated useful lives of the respective assets, ranging from three to seven years.

Cash and Cash Equivalents

For the purposes of the statement of cash flows St. James Infirmary considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Tax Exempt Status

St. James Infirmary is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and 23701 (d) of the State of California Code. St. James Infirmary files the necessary informational returns.

St. James Infirmary has adopted the accounting guidance related to uncertain tax positions, and has evaluated its tax positions and believes that all of the positions taken by St. James Infirmary in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. St. James Infirmary's returns for years ended July 31, 2017, 2016 and 2015 are subject to examination by federal and state taxing authorities generally for three years after they are filed.

ST. JAMES INFIRMARY
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017

NOTE 2- SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Accordingly, actual results could differ from those estimates.

NOTE 3: CONCENTRATION OF CREDIT RISK

St. James Infirmary has concentrated its credit risk for cash by maintaining deposit at bank located within the same geographic region. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of July 31, 2017, there was no uninsured balance.

NOTE 4: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of \$200 of cash in hand and \$172,765 of cash in checking account with local bank as of July 31, 2017.

NOTE 5: FIXED ASSETS

Fixed assets as of July 31, 2017 consist of the following:

Furniture, Fixtures and Equipments	\$	95,819
Less: Accumulated depreciation		<u>(64,350)</u>
	\$	<u>31,469</u>

Depreciation expense amounted to \$6,884 for the year ended July 31, 2017.

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

The details of the temporarily restricted net assets balances and the change thereto as of and for the year ended July 31, 2017 are as follows:

	<u>Beginning of Year</u>	<u>Awarded During the Year</u>	<u>Released From Restrictions</u>	<u>End of Year</u>
Blue Shield of California	\$	\$ 21,500	\$ 21,500	\$
San Francisco AIDS Foundation	78,741	230,504	230,504	78,741
Levi Strauss Foundation	73,586			73,586
San Francisco AIDS Foundation/CDC	<u>13,193</u>	<u>79,258</u>	<u>79,258</u>	<u>13,193</u>
	<u>\$ 165,520</u>	<u>\$ 331,262</u>	<u>\$ 331,262</u>	<u>\$ 165,520</u>

ST. JAMES INFIRMARY
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017

NOTE 7: FUNCTIONAL EXPENSES

The allocation of expenses per their functional and natural presentation is set out as follows:

	<u>Primary Medical Care</u>	<u>HIV / STI Counseling & Testing</u>	<u>Total Program Services</u>	<u>Management & General</u>	<u>Total Support Services</u>	<u>Total Functional Expenses</u>
Payroll	\$ 419,318	\$ 81,281	\$ 500,599	\$ 63,771	\$ 63,771	\$ 564,370
Payroll Taxes	39,674	7,541	47,215	6,115	6,115	53,330
Sponsorship Fees	5,147		5,147			5,147
Licenses and Taxes	5,177	878	6,055	2,645	2,645	8,700
Advertising	1,685		1,685	150	150	1,835
Telephone	5,473	867	6,340	4,040	4,040	10,380
Clinic Expenses	3,814	3,207	7,021	22,627	22,627	29,648
Meals/Entertainment	4,183		4,183	10,183	10,183	14,366
Travel and Entertainment	598		598	9,883	9,883	10,481
Insurance/Workers' Compensation	2,747	466	3,213	1,403	1,403	4,616
Books and Publications				245	245	245
Office Expense & Supplies	254	32	286	11,126	11,126	11,412
Program Expense	30,188		30,188	2,428	2,428	32,616
Utilities	9,945	1,634	11,579	4,922	4,922	16,501
Professional Fees	81,613	8,094	89,707	25,932	25,932	115,639
Depreciation				6,884	6,884	6,884
Bank Service Charges				820	820	820
Insurance/General Liability	9,427	1,599	11,026	4,816	4,816	15,842
Rent	25,474	4,320	29,794	13,014	13,014	42,808
Fundraiser Expense	1,027		1,027	7,505	7,505	8,532
Miscellaneous Expenses	3,355		3,355	67,611	67,611	70,966
	<u>\$ 649,099</u>	<u>\$ 109,919</u>	<u>\$ 759,018</u>	<u>\$ 266,120</u>	<u>\$ 266,120</u>	<u>\$ 1,025,138</u>

ST. JAMES INFIRMARY
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2017

NOTE 8: CONTINGENCIES

St. James Infirmary has received funds from the City and sources for specific purposes that are subject to review and audit by the grantor agencies. Management does not anticipate any material questioned costs for the contracts and grants administered.

NOTE 9: EVALUATION OF SUBSEQUENT EVENTS

The management of St. James Infirmary have reviewed the results of operations for the period of time from its year end July 31, 2017 through November 29, 2017, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

ST. JAMES INFIRMARY
STATEMENT OF REVENUE AND EXPENSES BY FUNDING SOURCE
FOR THE YEAR ENDED JULY 31, 2017

	<u>Blue Shield of California</u>	<u>CDC</u>	<u>Craiglist Charitable fund</u>	<u>Elton John AIDS Foundation Syringe A Fund</u>	<u>General Operating</u>
Income					
Contributions and grants	21,500	79,258		50,000	75,864
Fundraising					16,592
Income for Taja's Coalition					
Other Income				8,770	8,731
	<u>21,500</u>	<u>79,258</u>		<u>58,770</u>	<u>101,187</u>
Total Income					
Expense					
Advertising					150
Bank Service Charges					820
Books and Publications					245
Business Gifts					592
Clinic Expenses					22,627
Computer Expense					792
Depreciation Expense					6,884
Dues and Subscriptions					3,577
Fundraiser					7,505
Insurance/Directors & Officers					3,141
Insurance/General Liability					12,701
Insurance/Workers' Compensation					4,616
Janitorial Expense					783
Licenses and Taxes					8,700
Meals/Entertainment					10,183
Office Expense & Supplies		12			11,105
Payroll	13,318	110,782		6,630	65,100
Payroll Exp Fringe Benefit					(1,480)
Payroll Taxes/Federal	1,019	8,467		507	5,120
Payroll Taxes/State	67	2,618		127	994
Postage and Delivery					4,725
Printing and Reproduction					1,373
Professional Fees			8,094	4,368	25,932
Program Expense					2,428
Rent					42,808
Repairs					640
Sponsorship Fees					
Telephone					10,022
Travel and Entertainment					9,883
Utilities					16,191
Miscellaneous Expense					187
	<u>14,404</u>	<u>121,879</u>	<u>8,094</u>	<u>11,632</u>	<u>278,344</u>
Total Expense					
Net Income	<u>\$ 7,096</u>	<u>\$ (42,621)</u>	<u>\$ (8,094)</u>	<u>\$ 47,138</u>	<u>\$ (177,157)</u>

ST. JAMES INFIRMARY
STATEMENT OF REVENUE AND EXPENSES BY FUNDING SOURCE
FOR THE YEAR ENDED JULY 31, 2017

	<u>Levi Strauss Foundation</u>	<u>NCCLF</u>	<u>San Francisco AIDS Foundation</u>	<u>San Francisco Dept of Health</u>	<u>State of California</u>
Income					
Contributions and grants		64,503	230,504	313,912	
Fundraising				340	
Income for Taja's Coalition					
Other Income					
Total Income		<u>64,503</u>	<u>230,504</u>	<u>314,252</u>	
Expense					
Advertising				1,589	
Bank Service Charges					
Books and Publications					
Business Gifts					
Clinic Expenses			3,207	1,350	
Computer Expense		31,597			
Depreciation Expense					
Dues and Subscriptions					
Fundraiser					
Insurance/Directors & Officers					
Insurance/General Liability					
Insurance/Workers' Compensation					
Janitorial Expense					
Licenses and Taxes					
Meals/Entertainment				102	
Office Expense & Supplies	7		32	232	
Payroll	18,694		81,281	192,681	7,550
Payroll Exp Fringe Benefit				4,438	
Payroll Taxes/Federal	1,430		6,218	14,740	578
Payroll Taxes/State	141		1,323	3,170	464
Postage and Delivery					
Printing and Reproduction					
Professional Fees			8,094	58,552	
Program Expense				966	
Rent					
Repairs				206	
Sponsorship Fees					
Telephone					
Travel and Entertainment					
Utilities				310	
Miscellaneous Expense					
Total Expense	<u>20,272</u>	<u>31,597</u>	<u>100,155</u>	<u>278,336</u>	<u>8,592</u>
Net Income	<u>\$ (20,272)</u>	<u>\$ 32,906</u>	<u>\$ 130,349</u>	<u>\$ 35,916</u>	<u>\$ (8,592)</u>

ST. JAMES INFIRMARY
STATEMENT OF REVENUE AND EXPENSES BY FUNDING SOURCE
FOR THE YEAR ENDED JULY 31, 2017

	<u>Taja's Coalition</u>	<u>TSFF aka SFF SF Foundation</u>	<u>TOTAL</u>
Income			
Contributions and grants			835,541
Fundraising			16,932
Income for Taja's Coalition	139,634		139,634
Other Income			17,501
	<u>139,634</u>	<u> </u>	<u>1,009,608</u>
Expense			
Advertising	96		1,835
Bank Service Charges			820
Books and Publications			245
Business Gifts	2,270		2,862
Clinic Expenses	2,464		29,648
Computer Expense			32,389
Depreciation Expense			6,884
Dues and Subscriptions	35		3,612
Fundraiser	1,027		8,532
Insurance/Directors & Officers			3,141
Insurance/General Liability			12,701
Insurance/Workers' Compensation			4,616
Janitorial Expense			783
Licenses and Taxes			8,700
Meals/Entertainment	4,081		14,366
Office Expense & Supplies		3	11,391
Payroll	47,651	17,574	561,261
Payroll Exp Fringe Benefit			2,958
Payroll Taxes/Federal	3,645	1,345	43,069
Payroll Taxes/State	1,204	152	10,260
Postage and Delivery	736		5,461
Printing and Reproduction	109		1,482
Professional Fees	10,600		115,640
Program Expense	29,222		32,616
Rent			42,808
Repairs			846
Sponsorship Fees	5,147		5,147
Telephone	358		10,380
Travel and Entertainment	598		10,481
Utilities			16,501
Miscellaneous Expense	<u>23,516</u>	<u> </u>	<u>23,703</u>
Total Expense	<u>132,759</u>	<u>19,074</u>	<u>1,025,138</u>
Net Income	<u>\$ 6,875</u>	<u>\$ (19,074)</u>	<u>\$ (15,530)</u>