

**Community Assistance Center, Inc.**

**FINANCIAL STATEMENTS**

For the Years Ended December 31, 2021 and 2020  
with  
Independent Auditor's Report

**Community Assistance Center, Inc.**  
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**For the Years Ended December 31, 2021 and 2020**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Community Assistance Center, Inc.  
Sandy Springs, Georgia

### Opinion

We have audited the accompanying financial statements of Community Assistance Center, Inc. ("the Organization"), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Assistance Center, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Assistance Center, Inc. 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.

### Management's Responsibility 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 Community Assistance Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's Responsibility 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 generally accepted auditing standards 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 generally accepted auditing standards, 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.

Community Assistance Center, Inc.

June 27, 2022

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- 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 Community Assistance 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 Community Assistance 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.

*Geeslin Group LLC*

GEESLIN GROUP LLC

Peachtree City, Georgia

June 27, 2022



**Community Assistance Center, Inc.**  
**STATEMENTS OF FINANCIAL POSITION**

**December 31, 2021 and 2020**

	2021	2020
Unrestricted cash and cash equivalents	\$ 828,709	\$ 1,647,186
Unrestricted cash and cash equivalents - board designated	6,000	6,000
Restricted cash and cash equivalents	1,440,882	123,651
Promises to give - unrestricted, current portion	-	15,102
Promises to give - restricted, current portion	312,611	-
Prepaid expenses and other assets	27,934	26,109
Inventory	188,373	173,279
Total current assets	2,804,509	1,991,327
Construction in progress	11,484	-
Promises to give - restricted, noncurrent portion	-	396,172
Loan costs, net of accumulated amortization	7,988	20,260
Total noncurrent assets	19,472	416,432
Property and equipment	3,794,357	3,786,108
Accumulated depreciation	(971,996)	(860,226)
Net property and equipment	2,822,361	2,925,882
Total assets	\$ 5,646,342	\$ 5,333,641
Accounts payable and accrued expenses	\$ 35,619	\$ 104,684
Mortgages payable, current maturities	24,397	33,742
Total current liabilities	60,016	138,426
Paycheck Protection Program loan payable	-	143,743
Mortgages payable, net of current maturities	439,431	859,723
Total liabilities	499,447	1,141,892
Without donor restrictions		
Undesignated	3,387,402	3,665,926
Designated by the Board for operating reserve	6,000	6,000
Total net assets without donor restriction	3,393,402	3,671,926
With donor restrictions		
Purpose restrictions	1,753,493	519,823
Total net assets	5,146,895	4,191,749
Total liabilities and net assets	\$ 5,646,342	\$ 5,333,641

See accompanying notes.

# Community Assistance Center, Inc.

## STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2021 and 2020

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenue				
Support				
Grants	\$ 4,927	\$ 1,040,097	\$ 1,045,024	\$ 2,266,142
Contribution	1,783,487	360,944	2,144,431	3,219,031
Fundraising	22,764	941,449	964,213	27,848
Net assets released from restrictions	1,109,096	(1,109,096)	-	-
Total support	2,920,274	1,233,394	4,153,668	5,513,021
Retail income	193,188	-	193,188	89,332
Less related expenses	(6,366)	-	(6,366)	(5,096)
Net thrift store sales	186,822	-	186,822	84,236
Gross special events revenue - A Vintage Affair	201,294	-	201,294	230,523
Less cost of direct benefits to donors	(14,975)	-	(14,975)	(14,575)
Net revenue - A Vintage Affair	186,319	-	186,319	215,948
Other revenue				
Loan forgiveness - Paycheck Protection Program	143,743	-	143,743	-
Interest income	1,212	276	1,488	3,737
Total other revenue	144,955	276.00	145,231.00	3,737.00
Total revenue, support, and gains, net	3,438,370	1,233,670	4,672,040	5,816,942
Expenses				
Program services expense	3,191,076	-	3,191,076	4,571,434
Management and general	164,698	-	164,698	381,144
Fundraising and development	361,120	-	361,120	150,034
Total expenses	3,716,894	-	3,716,894	5,102,612
Change in Net Assets	(278,524)	1,233,670	955,146	714,330
Net Assets, Beginning of Year	3,671,926	519,823	4,191,749	3,477,419
Net Assets, End of Year	\$ 3,393,402	\$ 1,753,493	\$ 5,146,895	\$ 4,191,749

See accompanying notes.

## Community Assistance Center, Inc.

### STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended December 31, 2021 and 2020

	2021				2020	
	Program Services	Management and General	Fundraising and Development	Expenses Included with Revenue on Statement of Activity	Total	Total
Payroll	\$ 461,942	\$ 88,270	\$ 252,416	\$ -	\$ 802,628	\$ 697,340
Payroll taxes	36,027	6,884	19,686	-	62,597	53,980
Employee benefits	9,781	1,869	5,345	-	16,995	66,710
Total personnel costs	507,750	97,023	277,447	-	882,220	818,030
Program expenses	2,261,356	-	-	-	2,261,356	3,715,588
Contract labor	-	-	-	-	-	4,458
Direct fundraising costs	-	46,817	-	14,975	61,792	68,390
Retail expense	-	-	-	6,366	6,366	5,096
Depreciation and amortization	117,944	5,679	8,452	-	132,075	117,302
Insurance	44,199	3,093	14,379	-	61,671	46,909
Interest	37,795	1,820	2,709	-	42,324	42,589
Legal and accounting	-	-	24,125	-	24,125	22,075
Other professional services	-	-	16,386	-	16,386	35,000
Miscellaneous	2,142	103	1,792	-	4,037	2,200
Equipment rental expense	13,327	642	955	-	14,924	14,323
Office rental expense	26,323	1,268	1,887	-	29,478	28,619
Office equipment	7,211	347	517	-	8,075	17,840
Office supplies	4,997	241	358	-	5,596	6,829
Postage and delivery	1,596	77	114	-	1,787	2,141
Printing	2,906	140	208	-	3,254	4,692
Repairs and maintenance	24,293	1,170	1,741	-	27,204	36,417
Security	6,560	316	470	-	7,346	7,009
Seminars and licenses	10,548	508	1,461	-	12,517	5,433
Special events	1,288	62	92	-	1,442	2,178
Technology	47,833	2,303	3,428	-	53,564	33,988
Telephone and internet	9,803	472	703	-	10,978	10,718
Travel	553	27	40	-	620	1,466
Utilities	40,977	1,973	2,937	-	45,887	42,114
Vehicle expenses	8,852	-	-	-	8,852	7,145
Waste disposal expense	10,808	520	775	-	12,103	10,123
Moving expense	1,243	60	89	-	1,392	-
Volunteer expense	772	37	55	-	864	525
Bad debt expense	-	-	-	-	-	13,086
Total expenses by function	3,191,076	164,698	361,120	21,341	3,738,235	5,122,283
Less expenses included with revenues on the statement of activities						
Retail expense	-	-	-	(6,366)	(6,366)	(5,096)
Cost of direct benefits to donors	-	-	-	(14,975)	(14,975)	(14,575)
Total expenses included in the expense section on the statement of activities	\$ 3,191,076	\$ 164,698	\$ 361,120	\$ -	\$ 3,716,894	\$ 5,102,612

See accompanying notes.

# Community Assistance Center, Inc.

## STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 955,146	\$ 714,330
Adjustments to reconcile change in net assets to net cash from operating activities		
Inventory - donated	(15,094)	(11,214)
Depreciation and amortization	132,075	117,302
Loan forgiveness - Paycheck Protection Program loan	(143,743)	-
Changes in operating assets and liabilities		
Promises to give	98,663	(206,385)
Prepaid expenses and other assets	(1,825)	(6,222)
Accounts payable and other liabilities	(69,065)	71,522
Net Cash provided by Operating Activities	<u>956,157</u>	<u>679,333</u>
Cash Flows from Investing Activities		
Purchases of property and equipment	(8,250)	(13,913)
Construction in progress	(11,483)	-
Net Cash used for Investing Activities	<u>(19,733)</u>	<u>(13,913)</u>
Cash Flows from Financing Activities		
Proceeds from Paycheck Protection Program loan	-	143,743
Proceeds from loan refinancing	463,828	-
Principal payments on mortgages payable	(893,465)	(31,924)
Loan costs	(8,033)	-
Net Cash provided (used) by Financing Activities	<u>(437,670)</u>	<u>111,819</u>
Net changes in unrestricted and restricted cash and cash equivalents	498,754	777,239
Unrestricted and restricted cash and cash equivalents, beginning of the year	<u>1,776,837</u>	<u>999,598</u>
Unrestricted and restricted cash and cash equivalents, end of the year	<u>\$ 2,275,591</u>	<u>\$ 1,776,837</u>
<u>Supplemental Disclosure of Cash Flow Information</u>		
Cash paid during the year for interest	<u>\$ 42,324</u>	<u>\$ 42,589</u>

See accompanying notes.



# Community Assistance Center, Inc.

## NOTES TO FINANCIALS STATEMENTS

For the Years Ended December 31, 2021 and 2020

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### NOTE A – NATURE OF ORGANIZATION

Organization: The Community Assistance Center, Inc. (“CAC” or “the Organization”) provides assistance to local members of the Sandy Springs and Dunwoody Communities who are in need by providing financial support, helping to meet basic needs and promoting self-reliance. CAC brings the community together to assist families and individuals of Sandy Springs and Dunwoody facing unexpected financial crisis situations. Community Assistance Center, Inc. originally known as Community Action Center, was founded by eight religious congregations who saw a need to centralize assistance to local families and individuals seeking help in the Sandy Springs and Dunwoody communities. CAC was formally dedicated in October 11, 1987 and opened its doors for the first time on November 2, 1987 on the campus of Mt. Vernon Presbyterian Church. A year later the Center received its 501(c)(3) status on September 12, 1988. CAC is now supported by member congregations, public and private grants, businesses, individuals, schools and civic organizations. The Organization is volunteer-driven with more than 300 regularly scheduled volunteers. CAC operates a Food Pantry and a Thrift Boutique. CAC offers assistance to individuals and families with money management classes, referrals for other services, and adult education classes to learn new job and life skills such as computer classes and English for Successful Living. CAC receives an average of 400 calls a month for assistance and the Food Pantry receives an average of 1,200 visits a month. Overall, CAC impacts approximately 6,000 lives a year.

### NOTE B – SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation: The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Financial Statement Presentation: As required by the “Financial Statements of Not-For-Profit Organizations” topic of FASB Accounting Standards Codification, the Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The Organization had net assets with donor restrictions of \$1,753,493 and \$519,823 on December 31, 2021 and 2020, respectively.

Cash and Cash Equivalents: For the purpose of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents.

#### Donated Services:

Numerous volunteers have donated significant amounts of time to CAC’s specific assistance programs and fund-raising events. No amounts have been reflected in the financial statements for these donated services because they do not meet the criteria for recognition under Financial Accounting Standards Board ASC 958-605, “Revenue Recognition” of Not-for Profit Entities.

# Community Assistance Center, Inc.

## NOTES TO FINANCIALS STATEMENTS

For the Years Ended December 31, 2021 and 2020

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### NOTE B - SIGNIFICANT ACCOUNTING POLICIES – Continued

Promises to Give: The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. CAC determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. Substantially all amounts promised in the past have been collected; therefore, the Organization anticipates all pledges to give will be collected and no allowance for uncollectible pledges has been recorded.

Income Tax Status: The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes is required. The Organization believes that it has appropriate support for any tax positions taken, and as such does not have any uncertain tax positions that are material to the financial statements during the year ended December 31, 2021, or any tax year still open to taxing authorities.

Functional Allocation of Expenses: The costs of providing the programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among programs and supporting services benefited.

Property and Equipment: Acquisitions of property and equipment in excess of \$500 are capitalized. Property and equipment are recorded at cost, if purchased, or at estimated market value, if received by contribution. Depreciation is calculated over the estimated useful lives, ranging from 3 to 39 years, of the respective assets using a straight-line method.

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.

Loan Costs: In 2017 the Organization capitalized loan costs of \$31,170. The remaining costs were fully amortized in 2021, as the Organization entered into a new loan agreement to refinance the original debt. The new loan costs are \$8,033. These costs are being amortized on a straight-line basis which approximates the interest yield method. Amortization expense was \$20,305 and \$3,118 in 2021 and 2020, respectively. In the statement of functional expenses, this amount is included within “depreciation and amortization.” Expected amortization for the next five years will be approximately \$3,100 each year.

# Community Assistance Center, Inc.

## NOTES TO FINANCIALS STATEMENTS

For the Years Ended December 31, 2021 and 2020

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### NOTE B - SIGNIFICANT ACCOUNTING POLICIES – Continued

Net Assets: Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets 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.

*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 events 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. Donor restricted net assets were available at December 31, 2021 and 2020, for the following purposes:

<u>Fund Description</u>	<u>2021</u>	<u>2020</u>
Capital Campaign Fund	\$ 982,287	\$ 109,067
Financial Assistance	352,110	6,667
Youth Enrichment Program Fund	108,983	92,259
Pantry Fund	97,911	67,089
City of Sandy Springs	38,745	49,761
Tamara Carrera Legacy Fund	38,388	38,307
Education/Employment	30,000	-
Shumard Holidays	27,683	11,063
Fulton County Grants	25,027	-
Giglio Charitable Fund	20,000	-
Atlanta Foundation	15,002	15,002
Jewish Federation of Greater Atlanta	7,083	2,084
Harriet McDaniel Marshall Trust	6,750	25,000
Volunteer Income Tax Assistance	1,500	1,500
Garden	1,166	1,166
Signage Fund-Methodist Grant	858	858
Cox Foundation	-	100,000
Total	<u>\$ 1,753,493</u>	<u>\$ 519,823</u>

# Community Assistance Center, Inc.

## NOTES TO FINANCIALS STATEMENTS

For the Years Ended December 31, 2021 and 2020

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### NOTE B - SIGNIFICANT ACCOUNTING POLICIES – Continued

Recent Accounting Pronouncements: In June 2018, FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which clarifies and establishes standards for characterizing grants and similar contracts with resource providers as contributions (nonreciprocal) subject to ASC Topic 958, or as exchange transactions (reciprocal) subject to ASC Topic 606.

For the year ending December 31, 2021, the Organization adopted ASU 2018-08 and has adjusted the presentation in these financial statements accordingly. The Organization recognizes contributions and grant income in the accompanying Statements of Activities, in accordance with ASC Topic 958. The adoption of ASU 2018-08 did not have an impact on the timing of the revenue recognition of the contributions.

Revenue Recognition: Effective January 1, 2020, the Organization adopted Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers (Topic 606), which replaces most existing revenue recognition guidance in U.S. GAAP, using the modified retrospective approach.

Management analyzed the effect of the adoption and concluded that the adoption of this ASU did not have a material impact on the Organization’s financial statements. The majority of the Organization’s revenue arrangements generally consist of a single performance obligation to transfer promised goods or services. Based on the Organization’s evaluation process and review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No material changes were required to previously reported revenues as a result of the adoption.

As part of the adoption of the ASU, the Organization elected the following transition practical expedients: (i) to reflect the aggregate of all contract modifications that occurred prior to the date of initial application when identifying satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price; and (ii) to apply the standard only to contracts that are not completed at the initial date of application. Because contract modifications are minimal, there is not a significant impact as a result of electing these practical expedients.

The Organization is engaged in the sale of lightly used clothing and household items to customers in its Thrift Boutique. Revenue is earned at the time the customer receives their goods. After a detailed evaluation by the Company, it was determined that ASC 606 does not result in a materially different revenue recognition as compared to previous accounting standards.

# Community Assistance Center, Inc.

## NOTES TO FINANCIALS STATEMENTS

For the Years Ended December 31, 2021 and 2020

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### NOTE C – LIQUIDITY AND AVAILABILITY

Liquid assets are considered financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position. The Organization had \$834,709 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash and cash equivalents. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization's financial assets available within one year of the balance sheet date for designated expenditures are as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 2,275,591	\$ 1,776,837
Promises to give - current portion	<u>312,611</u>	<u>15,102</u>
Total liquid assets	2,588,202	1,791,939
Less current assets with donor restrictions	<u>(1,753,493)</u>	<u>(123,651)</u>
Financial assets available to meet cash needs within one year	<u>\$ 834,709</u>	<u>\$ 1,668,288</u>

### NOTE D – INVENTORY AND DONATED GOODS

Clothing and household items are valued at thrift store prices and food is valued at an average cost determined by periodic sampling at various online sources. Donated gift cards are recorded at face amount. The estimated value of donated goods received and recognized as revenue by CAC was \$995,647 and \$1,439,996 in 2021 and 2020, respectively.

### NOTE E – CONCENTRATIONS

The Organization received approximately 50% of its total contributions and grants in the year ended December 31, 2021 from 12 donors and granting organization and 50% from seventeen donors for the year ended December 31, 2020.

# **Community Assistance Center, Inc.**

## **NOTES TO FINANCIALS STATEMENTS**

**For the Years Ended December 31, 2021 and 2020**

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### **NOTE F – FAIR VALUE MEASUREMENTS**

The Organization adopted SFAS No. 157, “Fair Value Measurements,” which establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices (level 1) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB Statement No. 157 are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the entity has the ability to access.

Level 2 – Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or, inputs that are derived principally from, or corroborated by observable market data by correlation or other means. If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability. There were no Level 2 investments.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. There were no Level 3 investments.

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair market values for the Organization’s mortgages payable are not readily determinable and are assumed to be materially different than the carrying value based on current market conditions. The Organization believes that determining the fair market value of the mortgages payable would be cost prohibitive.

The estimated fair value of donated goods is discussed in Note D. All other financial instruments are carried at amounts that approximate estimated fair value.

### **NOTE G – RELATED PARTY TRANSACTIONS**

In both 2021 and 2020, the husband of the former CEO of CAC was paid \$3,000 for his supervision of the VITA Program. This supervision and payment were approved by the Board of Directors in each year.

# Community Assistance Center, Inc.

## NOTES TO FINANCIALS STATEMENTS

For the Years Ended December 31, 2021 and 2020

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### NOTE H - OPERATING LEASES

CAC leases office equipment under operating leases with terms of four and five years ending in 2023. Rental expense for the year ended December 31, 2021 was \$14,924. Rental expense for the year ended December 31, 2020 was \$14,323. Minimum future lease payments on these operating leases at December 31, 2021 are as follows:

Year	Amount
2022	19,848
2023	11,663
Total	<u>\$ 31,511</u>

### NOTE I – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2021	2020
Building - Hightower	\$ 860,818	\$ 860,818
Hightower building improvements	174,432	174,432
Building - Roswell Rd.	1,775,000	1,775,000
Roswell Rd. Bldg Improvements	693,401	685,151
Machinery and equipment	8,075	104,832
Furniture and fixtures	28,834	28,834
Computer equipment	51,024	51,024
Satellite Building Improvements	104,832	8,075
Software	8,615	8,615
Vehicles	89,327	89,327
Less accumulated depreciation	<u>(971,996)</u>	<u>(860,226)</u>
Total	<u>\$ 2,822,362</u>	<u>\$ 2,925,882</u>

Depreciation expense for the year ended December 31, 2021, was \$111,770. In the statement of functional expenses, this amount is included within “depreciation and amortization.”

# Community Assistance Center, Inc.

## NOTES TO FINANCIALS STATEMENTS

For the Years Ended December 31, 2021 and 2020

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### NOTE J – MORTGAGES PAYABLE

On December 30, 2021, CAC refinanced its existing mortgage loans with a new loan from a financial institution. The new loan was used to pay down the previous debt of approximately \$860,000. The outstanding principal balance due on the new loan as of December 31, 2021 was \$463,828. This loan is a 15 year term and has a fixed interest rate of 3.25% and is secured by the property held on Hightower Trail. The payments of principal and interest are \$3,259 per month.

Aggregate maturities of long-term debts for the years ending December 31 follows:

2022	24,397
2023	25,268
2024	26,102
2025	26,963
2026 and thereafter	361,098
Total	<u>\$ 463,828</u>

### NOTE K– SUBSEQUENT EVENTS

Management has evaluated events and transactions that occurred between December 31, 2021 and the date of the auditor’s report, which is the date that the financial statements were available to be issued for possible recognition or disclosure in the financial statements.

### NOTE L – OTHER DISCLOSURES

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act commonly referred to as the CARES Act, was signed into law. One component of the CARES Act was the Paycheck Protection Program (“PPP”) which provides small business with the resources needed to maintain their payroll and cover applicable overhead. The PPP is implemented by the Small Business Administration (“SBA”) with support from the Department of the Treasury. The Organization applied for and was accepted to participate in this program. In April 2020, the Organization received approval of a PPP loan for \$143,743. As a component of PPP, if the Organization spends at least as much of the loan proceeds on qualified payroll and applicable overhead during the covered period as defined, the SBA will forgive the entire amount of the loan, included accrued interest. The Organization’s loan was fully forgiven in on March 19, 2021 and recognized as revenue.