Community Assistance Center, Inc.

FINANCIAL STATEMENTS

For the Years Ended December 31, 2024 and 2023
with
Independent Auditor's Report

Community Assistance Center, Inc.
TABLE OF CONTENTS

For the Years Ended December 31, 2024 and 2023

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, 2024 and 2023, 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, 2024 and 2023, 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.
- 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 Inc.'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 5, 2025

Community Assistance Center, Inc.
STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

	2024	2023
Unrestricted cash and cash equivalents	$ 1,575,390	$ 968,386
Unrestricted cash and cash equivalents - board designated	-	6,000
Restricted cash and cash equivalents	167,335	570,227
Promises to give - unrestricted, current portion	-	18,313
Promises to give - restricted, current portion	96,108	300,171
Prepaid expenses and other assets	34,858	35,409
Investments	10,176	-
Inventory	262,075	257,623
Total current assets	2,145,942	2,156,129
Promises to give - restricted, noncurrent portion	266,454	-
Loan costs, net of accumulated amortization	6,382	6,917
Total noncurrent assets	272,836	6,917
Property and equipment	4,871,372	4,871,372
Accumulated depreciation	(1,689,233)	(1,433,942)
Net property and equipment	3,182,139	3,437,430
Leased Assets		
Operating lease right-of-use assets, net	46,797	105,685
Total assets	$ 5,647,714	$ 5,706,161
Accounts payable and accrued expenses	$ 43,908	$ 34,778
Mortgages payable, current maturities	26,819	25,963
Operating leases payable, current maturities	28,899	59,021
Total current liabilities	99,626	119,762
Mortgages payable, net of current maturities	364,275	390,855
Operating leases payable, less current maturities	18,019	46,768
Total noncurrent liabilities	382,294	437,623
Total liabilities	481,920	557,385
Without donor restrictions		
Undesignated	3,969,204	4,272,378
Designated by the Board for operating reserve	6,000	6,000
Total net assets without donor restriction	3,975,204	4,278,378
With donor restrictions		
Purpose restrictions	1,190,590	870,398
Total net assets with donor restriction	1,190,590	870,398
Total net assets	5,165,794	5,148,776
Total liabilities and net assets	$ 5,647,714	$ 5,706,161

See accompanying notes.

Community Assistance Center, Inc.

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2024 and 2023

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenue				
Support				
Grants	$ 146,413	$ 163,500	$ 309,913	$ 577,512
Contributions	3,460,622	536,264	3,996,886	3,315,085
Fundraising	6,744	-	6,744	67,804
Net assets released from restrictions	381,449	(381,449)	-	-
Total support	3,995,228	318,315	4,313,543	3,960,401
Development expense				
Retail income	348,429	-	348,429	300,224
Less related expenses	(10,797)	-	(10,797)	(9,846)
Net thrift store sales	337,632	-	337,632	290,378
Gross special events revenue - Gala	484,391	-	484,391	317,711
Less cost of direct benefits to donors	(20,562)	-	(20,562)	(15,785)
Net revenue - Gala	463,829	-	463,829	301,926
Other revenue				
Interest income	39,949	-	39,949	31,967
Endowment interest income	-	1,877	1,877	-
Total other income	39,949	1,877	41,826	31,967
Total revenue, support, and gains, net	4,836,638	320,192	5,156,830	4,584,672
Expenses				
Program services expense	4,250,629	-	4,250,629	3,765,609
Management and general	705,431	-	705,431	602,217
Fundraising and development	183,752	-	183,752	162,659
Total expenses	5,139,812	-	5,139,812	4,530,485
Change in Net Assets	(303,174)	320,192	17,018	54,187
Net Assets, Beginning of Year	4,278,378	870,398	5,148,776	5,094,589
Net Assets, End of Year	$ 3,975,204	$ 1,190,590	$ 5,165,794	$ 5,148,776

See accompanying notes.

Community Assistance Center, Inc.

STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended December 31, 2024 and 2023

	2024					2023
	Program Services	Management and General	Fundraising and Development	Expenses Included - of Activity	Total	Total
Payroll	$ 548,145	$ 563,299	$ 89,950	$ -	$ 1,201,394	$ 953,609
Payroll taxes	42,481	43,656	6,971	-	93,108	68,393
Employee benefits	20,319	20,881	3,334	-	44,534	48,360
Total personnel costs	610,945	627,836	100,255	-	1,339,036	1,070,362
Program expenses	2,960,690	-	-	-	2,960,690	2,563,571
Rental expense - operating leases	60,855	4,214	772	-	65,841	58,919
Retail expense	1,176	-	-	10,797	11,973	9,846
Development expense	2,406	172	56,395	-	58,973	63,772
Direct benefits to donors	-	-	-	20,562	20,562	15,785
Depreciation and amortization	228,453	16,373	11,000	-	255,826	241,095
Insurance	81,708	4,587	2,563	-	88,858	76,729
Interest expense - non-lease	11,954	857	576	-	13,387	14,182
Legal and accounting	-	20,300	-	-	20,300	23,550
Other professional services	-	2,380	-	-	2,380	5,174
Miscellaneous	-	7,933	-	-	7,933	7,816
Office equipment & supplies	9,534	681	421	-	10,636	8,776
Postage and delivery	1,220	87	59	-	1,366	1,112
Printing	4,147	297	200	-	4,644	9,588
Repairs and maintenance	91,097	6,482	3,704	-	101,283	96,430
Security	4,033	287	164	-	4,484	4,786
Seminars and licenses	2,656	1,028	128	-	3,812	9,242
Special events	245	18	12	-	275	2,543
Technology	66,244	4,748	3,190	-	74,182	67,118
Telephone and internet	24,931	1,776	1,039	-	27,746	27,154
Travel	468	34	23	-	525	469
Utilities	61,366	4,374	2,602	-	68,342	58,688
Vehicle expenses	13,013	-	-	-	13,013	17,390
Waste disposal expense	8,372	600	403	-	9,375	7,564
Volunteer expenses	5,116	367	246	-	5,729	8,080
Total expenses by function	4,250,629	705,431	183,752	31,359	5,171,171	4,469,741
Less expenses included with revenues on the statement of activities.						
Retail expense	-	-	-	(10,797)	(10,797)	(9,846)
Cost of direct benefits to donors	-	-	-	(20,562)	(20,562)	(15,785)
Total expenses included in the expense section on the statement of activities.	$ 4,250,629	$ 705,431	$ 183,752	$ -	$ 5,139,812	$ 4,444,110

See accompanying notes.

Community Assistance Center, Inc.

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Change in net assets	$ 17,018	$ 54,187
Adjustments to reconcile change in net assets to net cash from operating activities		
Inventory - donated	(4,452)	(55,009)
Depreciation and amortization	255,826	251,927
Amortization of operating lease right-of-use asset	58,887	54,071
Reduction in lease liability	(58,870)	(56,572)
Changes in operating assets and liabilities		
Promises to give	(44,078)	(65,984)
Prepaid expenses and other assets	551	(5,228)
Accounts payable and accrued expenses	9,130	(12,702)
Net Cash provided by Operating Activities	234,012	164,690
Cash Flows from Investing Activities		
Purchase of investments	(10,176)	-
Purchases of property and equipment	-	(354,147)
Net Cash used for Investing Activities	(10,176)	(354,147)
Cash Flows from Financing Activities		
Principal payments on mortgages payable	(25,724)	(24,928)
Net Cash used by Financing Activities	(25,724)	(24,928)
Net changes in unrestricted and restricted cash and cash equivalents	198,112	(214,385)
Unrestricted and restricted cash and cash equivalents, beginning of the year	1,544,613	1,758,998
Unrestricted and restricted cash and cash equivalents, end of the year	$ 1,742,725	$ 1,544,613

Supplemental Disclosure of Cash Flow Information

	2024	2023
Cash paid during the year for interest	$ 13,386	$ 14,182

See accompanying notes.

NOTE A – NATURE OF ORGANIZATION

Organization: Community Assistance Center (CAC' or 'the Organization') is committed to strengthening lives and stabilizing families in Dunwoody and Sandy Springs by preventing homelessness, alleviating hunger, and working with neighbors to achieve greater self-sufficiency. The Organization provides emergency assistance for food, clothing, and shelter when families and individuals face financial crises and struggle to provide for their basic needs. The Organization helps clients navigate other programs available to them and offer support for the essential needs of youth. The Organization also works with adults to gain new skills and take advantage of better employment opportunities and improve economic stability. As the cornerstone of the human services network in the northern perimeter area, the Organization plays a vital role in community stability.

The Organization has a track record of success in Homeless and Hunger prevention due to the Organization's: 1) understanding of the needs of individuals and families through the assessment process, 2) holistic approach to case management, 3) offering of a comprehensive range of essential services and 4) coordination of additional resources available through other providers. All of which help clients stabilize their household and improve their financial situation. Today, the Organization works with 28 congregations, businesses, schools, the cites of Dunwoody and Sandy Springs, Fulton County, private foundations, United Way, and many dedicated individuals as well as strategic partners such as The Atlanta Community Food Bank, Second Helpings Atlanta, and Goodwill Career Services to support and help strengthen financially vulnerable members of the community.

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 $1,190,590 and $870,398 on December 31, 2024 and 2023, 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.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES – Continued

Adoption of New Accounting Standard: On January 1, 2023, the Community Assistance Center adopted the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) 326, Financial Instruments—Credit Losses, using the modified retrospective approach. ASC 326 requires entities to measure expected credit losses on financial instruments measured at amortized cost and certain off-balance-sheet credit exposures. After a comprehensive analysis and evaluation, management determined that the adoption of ASC 326 did not result in any material impact on the Organization's financial statements. Specifically, there were no significant changes or adjustments to the statement of financial position, no material impact on the statement of activity for the reporting periods presented, and no cumulative effect adjustment to net assets as of the adoption date. The assessment considered the nature and extent of the financial instruments such as Promises to Give held by the Organization, historical credit loss experience, current economic conditions, and reasonable forecasts about future economic conditions. The Organization will continue to monitor and evaluate the credit risk associated with its financial instruments and will update its disclosures as necessary in future reporting periods. Management has concluded that the adoption of ASC 326 had no effect on the Organization's financial position, results of operations, or cash flows for the reporting periods presented.

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, 2024, 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.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES – Continued

Loan Costs: In 2021, the Organization entered into a loan agreement to refinance preexisting debt. Outstanding preexisting loan costs were fully amortized in 2021. The new loan costs were $8,033, which are being amortized on a straight-line basis over the life of the loan which approximates the interest yield method. Amortization expense was $536 in both 2024 and 2023.

Annual amortization expense is expected to be $536 in future years. In the statement of functional expenses, this amount is included within “depreciation and amortization.”

Revenue Recognition: The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

All unconditional contributions and grants are considered to be without donor restriction unless specifically restricted by the donor or grantor for a specific program, purpose, or time period. Amounts received that are restricted by the donor or grantor for a specific program, purpose, or for future periods are reported as increases to net assets with donor restrictions. Contributions and grants that are restricted by the donor or grantor are reported as increases in net assets without restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Additionally, the Organization is engaged in the sale of lightly used clothing and household items to customers in its Thrift Store. Revenue is earned at the time the customer receives their goods.

Adoption of New Accounting Standard: On January 1, 2023, the Organization adopted the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) 326, Financial Instruments—Credit Losses, using the modified retrospective approach. ASC 326 requires entities to measure expected credit losses on financial instruments measured at amortized cost and certain off-balance-sheet credit exposures. After a comprehensive analysis and evaluation, management determined that the adoption of ASC 326 did not result in any material impact on the Organization’s financial statements. Specifically, there were no significant changes or adjustments to the statement of financial position, no material impact on the statement of activity for the reporting periods presented, and no cumulative effect adjustment to net assets as of the adoption date. The assessment considered the nature and extent of the financial instruments such as Accounts Receivable and Contributions Receivable held by the Organization, historical credit loss experience, current economic conditions, and reasonable forecasts about future economic conditions. The Organization will continue to monitor and evaluate the credit risk associated with its financial instruments and will update its disclosures as necessary in future reporting periods. Management has concluded that the adoption of ASC 326 had no effect on the Organization's financial position, results of operations, or cash flows for the reporting periods presented.

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 on December 31, 2024 and 2023, for the following purposes:

Fund Description	2024	2023
Endowment	$ 464,439	$ -
Financial Assistance	294,758	294,758
Youth Enrichment Program Fund	170,766	139,775
Pantry Fund	91,320	92,684
Education/Employment	46,009	43,509
Tamara Carrera Legacy Fund	38,526	38,526
Shumard Holidays	30,802	30,649
Sandy Springs Society	18,051	4,379
Fulton County Grants	12,500	28,941
City of Sandy Springs	12,240	112,962
Thrift Store	5,000	5,000
A Hand Up Foundation	3,286	6,900
Volunteer Income Tax Assistance	2,893	10,000
Dunwoody City	-	56,122
Couchman Fund-Thrift Boutique	-	6,193
Total	$ 1,190,590	$ 870,398

NOTE C – 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 $2,106,333 and $1,881,197, in 2024 and 2023, respectively.

NOTE D – CONCENTRATIONS

The Organization received approximately 62% of its total cash contributions and grants during the year ended December 31, 2024 from 25 donors and granting organization. For the year ended December 31, 2023, 55% of its total cash contributions and grants were received from 26 donors and granting organizations.

NOTE E – 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 $648,243 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:

	2024	2023
Cash and cash equivalents	$ 1,742,725	$ 1,544,613
Promises to give - current portion	96,108	318,484
Total liquid assets	1,838,833	1,863,097
Less current assets with donor restrictions	(1,190,590)	(870,398)
Financial assets available to meet cash needs within one year	$ 648,243	$ 992,699

NOTE F – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2024	2023
Building - Roswell Rd.	$ 2,575,829	$ 2,575,829
Building - Hightower	1,537,278	1,537,278
Leasehold Improvements - Northwood	422,183	422,183
Machinery and equipment	201,231	201,231
Vehicles	89,327	89,327
Furniture and fixtures	28,834	28,834
Software	8,615	8,615
Satellite building improvement	8,075	8,075
Less accumulated depreciation	(1,689,233)	(1,433,942)
Total	$ 3,182,139	$ 3,437,430

Depreciation expense for the year ended December 31, 2024 and 2023, was $255,291 and $251,393, respectively. In the statement of functional expenses, this amount is included within "depreciation and amortization."

NOTE G – 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. All investments held by the Organization are Level 1.

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 C. All other financial instruments are carried at amounts that approximate estimated fair value.

NOTE H - OPERATING LEASES

The Organization has adopted the requirements of Accounting Standards Update 2016-02, Leases (Topic 842) ("ASC 842"), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The new standard requires the recognition of a right-of-use ("ROU") asset and lease liability on the statement of financial position. The new standard requires disclosures to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. Under ASC 842, the Organization uses three primary accounting provisions to classify transactions as financing or operating leases.

NOTE H - OPERATING LEASES – Continued

Leases meeting any of these conditions are accounted for as finance leases, those that meet none, as operating leases.

1. Review of the lease term to determine if it is for the major part of the economic life of the underlying asset, defined as greater than 75%.
2. Review of the present value of the lease payments to determine if they are equal to or greater than substantially all of the fair market value of the equipment at the inception of the lease, defined as greater than 90%.
3. Review of the lease agreement to determine if there is an option to purchase the underlying asset that the Company is reasonably certain to exercise, or if the ownership of the underlying asset transfers to the Company at the end of the lease term.

Upon review of the conditions listed above, the Organization has determined that all of its leases meet the criteria to be classified as operating leases. CAC's leases are required to be included in the Statement of Financial Position under FASB ASC 842.

CAC has three operating leases: two for buildings and one for certain office equipment. The Organization's real estate leases have remaining lease terms of one to two years, which include options to extend the leases. CAC's office equipment lease has a term ending in 2026. Rental expenses for the real estate and office equipment for the year ended December 31, 2024 and 2023 was $65,841 and $61,566, respectively.

As of December 31, 2024, the right-of-use (ROU) assets had a balance of $46,797, as shown in noncurrent assets on the statement of financial position; the operating lease payable is included in current liabilities, $28,899 and noncurrent liabilities, $18,019.

The Organization's weighted average lease liability for its operating leases is approximately $28,000 and weighted average discount rate for finance leases is 3.30% as of December 31, 2024. The weighted average remaining lease term is 1.7 years.

Future minimum lease payments and reconciliation to the statement of financial position on December 31, 2024, are as follows:

Year	Amount
2025	29,930
2026	18,229
Total future undiscounted lease payments	48,159
Less: interest component	(1,241)
Lease liabilities	$ 46,918

NOTE J – MORTGAGES PAYABLE

On December 30, 2021, CAC refinanced its existing mortgage loans with a new loan from a financial institution. The outstanding principal balance due on the new loan as of December 31, 2024, was $391,094. This loan is a 15-year term and has a fixed interest rate of 3.25% and is secured by the property held on Roswell Road. The payments of principal and interest are $3,259 per month.

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

2025	26,819
2026	27,704
2027	28,618
2028	29,562
2029	30,537
2030 and thereafter	247,854
Total	$ 391,094

NOTE K– DONOR-RESTRICTED ENDOWMENT

The Organization received a donation in 2024 to establish an endowment to be titled the Webster Hope Fund ("the endowment") with the purpose of supporting the ongoing work of Community Assistance Center to prevent homelessness and hunger in the greater Atlanta area. The endowment includes both donor-restricted funds and funds designated by the Board of Trustees. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Organization has interpreted the Georgia Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions as (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the donor-restricted endowment funds
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The Organization's investment policies

NOTE K– DONOR-RESTRICTED ENDOWMENT - continued

Investment Return Objectives, Risk Parameters and Strategies. The Organization has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Endowment assets are to be invested in a diversified asset mix, which includes equity and debt securities, which is intended to result in a consistent rate of return that has sufficient liquidity to make an annual distribution of 4%, while growing the funds, if possible.

Spending Policy. The Organization has a policy of appropriating for distribution each year 4% of its endowment fund's average fair value of the previous twelve quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its investment assets and the nature and duration of the endowment.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Board of Trustees of the Organization has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

Endowment net asset composition by type of fund as of December 31, 2024 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Assets
Donor-restricted endowment funds	$ -	$ 464,439	$ 464,439
Board-designated endowment funds	6,000	-	6,000
Total funds	$ 6,000	$ 464,439	$ 470,439

Changes in endowment net assets as of December 31, 2024 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Assets
Endowment net assets, beginning of year	$ 6,000	$ -	$ 6,000
Contributions	-	462,562	462,562
Interest income	-	1,877	1,877
Endowment net assets, end of year	$ 6,000	$ 464,439	$ 470,439

NOTE L– SUBSEQUENT EVENTS

Management has evaluated events and transactions that occurred between December 31, 2024, 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.