



FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2017**

CENTER OF HELP, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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Independent Auditor's Report

Board of Directors
Center of Help, Inc.

We have audited the accompanying financial statements of Center of Help, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Center of Help, Inc. as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Alta CPA Group, LLC

July 3, 2018

CENTER OF HELP, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017

ASSETS

Current Assets:		
Cash and Cash Equivalents	\$	63,470
Prepaid Expenses		<u>762</u>
Total Current Assets		64,232
Property and Equipment, Net of Accumulated Depreciation of \$4,486		6,864
Other Assets:		
Security Deposit		<u>1,400</u>
Total Other Assets		<u>1,400</u>
Total Assets	\$	<u><u>72,496</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	\$	-
Net Assets:		
Unrestricted		<u>72,496</u>
Total Net Assets		<u>72,496</u>
Total Liabilities and Net Assets	\$	<u><u>72,496</u></u>

See auditor's report and accompanying notes to financial statements.

CENTER OF HELP, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

REVENUE	
Contributions	\$ 23,517
Grants	136,403
Service Fees	20,547
Special Events	14,083
Other Income	<u>1,172</u>
Total Revenue	195,722
EXPENSES	
Program Expenses:	
Occupancy	33,884
Personnel Expenses	124,788
Contract Services	5,360
Special Events	9,308
Supplies	<u>7,765</u>
Total Program Expenses	181,105
Management and General Expenses:	
Advertising	192
Depreciation	921
Insurance	762
Professional Fees	3,149
Office Expense	7,263
Occupancy	5,980
Personnel Expenses	<u>22,022</u>
Total Administrative Expenses	<u>40,289</u>
Total Expenses	<u>221,394</u>
CHANGE IN NET ASSETS	(25,672)
NET ASSETS	
Beginning of Year	<u>98,168</u>
End of Year	<u><u>\$ 72,496</u></u>

See auditor's report and accompanying notes to financial statements.

CENTER OF HELP, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ (25,672)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:	
Depreciation Expense	921
Increase in Prepaid Expenses	(762)
Decrease in Accounts Receivable	164
Decrease in Deferred Revenue	<u>(1,000)</u>
Net Cash Used by Operating Activities	(26,349)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Property and Equipment	<u>(140)</u>
Net Cash Used by Investing Activities	(140)
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>
Net Decrease in Cash and Cash Equivalents	(26,489)
Cash and Cash Equivalents, Beginning of Year	<u>89,959</u>
Cash and Cash Equivalents, End of Year	<u>\$ 63,470</u>

See auditor's report and accompanying notes to financial statements.

CENTER OF HELP, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Organization

Center of Help, Inc. was organized under the laws of the State of Maryland. The primary business of the Organization is to provide community support, educational and training services to at-risk adults and children, predominantly from the Hispanic community. The Organization is primarily supported by a combination of donations from individuals, grants, special events, and program service fees.

Basis of Accounting

The financial statements of Center of Help, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization's financial reporting classifies resources, for accounting and reporting purposes, into three net asset categories according to externally (donor) imposed restrictions. The Organization records unconditional promises to give (pledges) as receivables and revenues and distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the three net asset categories follows.

- Permanently Restricted - the portion of the net assets resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- Temporarily Restricted - the portion of the net assets resulting from contributions or other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- Unrestricted - the portion of the net assets that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

When contributions are received and the restrictions met within the same fiscal year, the amounts are reported as unrestricted contributions.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could vary from the estimates that were used.

CENTER OF HELP, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all investments in checking and savings accounts to be cash and cash equivalents.

Concentration of Credit Risk

The Organization maintains its cash balances at financial institutions. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. All balances were fully insured at December 31, 2017.

Property and Equipment

Property and equipment are recorded at cost, or fair market value at the date of acquisition or donation, if the useful life of the asset exceeds one year. Minor additions and renewals are capitalized and depreciated using the straight line method of depreciation over their estimated useful lives generally five years.

Donated Services

Center of Help, Inc. programs are furthered through the contribution of time by a significant number of unpaid volunteers. Center of Help, Inc. would have to purchase these services if volunteers could not be found. The value of these contributed services is not reflected in the accompanying financial statements in accordance with accounting principles generally accepted in the United States of America, as they are for non-specialized services.

Advertising

All advertising costs are expensed as incurred.

Fundraising Expense

Immaterial amounts of fundraising expense are included in program services and management and general expense.

Income Taxes

The Organization is exempt from federal taxes as described in Section 501(c)(3) of the Internal Revenue Code. The Federal Form 990, Return of Organization Exempt from Income Tax, is subject to examination by the Internal Revenue Service, generally for the three years after it is filed.

CENTER OF HELP, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

The Organization evaluated subsequent events through the date that the financial statements were available to be issued. The Organization is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to July 3, 2018 that would have a material impact on the financial statements.

NOTE 2 - OPERATING LEASES

The Organization entered into a one year lease agreement on September 1, 2004 for the use of office space. The Organization has the option to renew the lease on an annual basis. Rent and utility expense is shown under the occupancy line item on the statement of activities and totaled \$39,864.