



FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2018**

CENTER OF HELP, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

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Independent Auditor's Report

To the Board of Directors of
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, 2018, and the related statements of activities, functional expenses, 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, 2018, 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

January 18, 2021

CENTER OF HELP, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

ASSETS

Current Assets:	
Cash and Cash Equivalents	\$ <u>51,016</u>
Total Current Assets	51,016
Property and Equipment, Net of Accumulated Depreciation of \$5,854	5,496
Other Assets:	
Security Deposit	<u>1,400</u>
Total Other Assets	<u>1,400</u>
Total Assets	\$ <u><u>57,912</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	\$ -
Net Assets:	
Without Donor Restrictions	<u>57,912</u>
Total Net Assets	<u>57,912</u>
Total Liabilities and Net Assets	\$ <u><u>57,912</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, 2018

REVENUE	
Contributions	\$ 39,572
Grants	129,205
Service Fees	16,455
Special Events	16,192
Other Income	<u>37,645</u>
Total Revenue	239,069
EXPENSES	
Program Services	192,352
Management and General	47,025
Fundraising	<u>14,276</u>
Total Expenses	<u>253,653</u>
CHANGE IN NET ASSETS	(14,584)
NET ASSETS WITHOUT DONOR RESTRICTIONS	
Beginning of Year	<u>72,496</u>
End of Year	<u><u>\$ 57,912</u></u>

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

CENTER OF HELP, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Advertising	\$ 521	\$ -	\$ 982	\$ 1,503
Bank Fees	-	440	0	440
Contract Services	15,146	-	-	15,146
Depreciation	-	1,368	-	1,368
Insurance	-	3,341	-	3,341
Personnel Expenses	129,277	24,239	8,080	161,596
Professional Fees	-	6,176	-	6,176
Scholarships	7,000	-	-	7,000
Special Events	-	-	3,441	3,441
Supplies	12,036	-	-	12,036
Office Expense	-	6,141	-	6,141
Occupancy	28,372	5,320	1,773	35,465
Total	<u>\$ 192,352</u>	<u>\$ 47,025</u>	<u>\$ 14,276</u>	<u>\$ 253,653</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, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ (14,584)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:	
Depreciation Expense	1,368
Decrease in Prepaid Expenses	<u>762</u>
Net Cash Used by Operating Activities	(12,454)
CASH FLOWS FROM INVESTING ACTIVITIES	-
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>
Net Decrease in Cash and Cash Equivalents	(12,454)
Cash and Cash Equivalents, Beginning of Year	<u>63,470</u>
Cash and Cash Equivalents, End of Year	<u>\$ 51,016</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, 2018

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.

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 may designate a portion of these net assets for specific purposes.

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.

When contributions are received and the restrictions met within the same fiscal year, the amounts are reported as contributions without donor restrictions.

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, 2018

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Change in Accounting Principle

In August 2016, the FASB issued Accounting Standards Update ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, quantitative and qualitative information about the liquidity and availability of resources, consistency in the presentation of expenses and investment return, and other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The ASU has been applied retrospectively to all periods presented. The Organization has changed its presentation of net asset classes, expanded the footnote disclosures required by ASU 2016-14, and reclassified certain expense items to conform to the requirements of the ASU.

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, 2018.

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.

CENTER OF HELP, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The statement of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. Expenses which benefit more than one function are allocated on a reasonable basis that is consistently applied; the basis of allocation are estimates of time and effort maintained by each employee. 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.

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 January 18, 2021 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 annually. Rent and expense is shown under the occupancy line item on the statement of activities and totaled \$33,038.

NOTE 3 - LIQUIDITY AND AVAILABILITY

Center of Help maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2018 comprise the following:

Cash and Cash Equivalents	\$ 51,016
Total Current Financial Assets at Year End	<u>51,016</u>
Total Financial Assets Available for General Expenditure Within One Year	\$ <u>51,016</u>