

GOODLETTSVILLE HELP CENTER
Financial Statements
December 31, 2008

Contents

	<u>Page</u>
Independent Auditors' Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7

Parker, Parker & Associates, PLC

Certified Public Accountants

1000 NORTHCHASE DRIVE - SUITE 260
GOODLETTSVILLE, TN 37072

STEVEN B. PARKER, CPA
CHARLES N. PARKER, CPA
DARREL E. TONGATE, CPA
KAREN R. STEPHENS, CPA
CATHY D. FISHER, CPA
KEVIN R. COOK, CPA
LAUREN S. ALLEN, CPA
CARRIE E. DAWSON, CPA

TELEPHONE: 615-859-8800
FAX: 615-859-8188
WWW.PARKERCPA.NET

Independent Auditor's Report

To the Board of Directors of
Goodlettsville Help Center
Goodlettsville, Tennessee

We have audited the accompanying statement of financial position of Goodlettsville Help Center (a nonprofit organization) as of December 31, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Goodlettsville Help Center as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Parker, Parker & Associates

November 9, 2009

GOODLETTSVILLE HELP CENTER
Statement of Financial Position
December 31, 2008

Assets

Current Assets

Cash	\$ 63,391
Prepaid Expenses	<u>4,492</u>
Total Current Assets	<u>67,883</u>

Property and Equipment

Land	100,000
Building	147,650
Equipment	10,545
Accumulated Depreciation	<u>(37,852)</u>
Net Property and Equipment	<u>220,343</u>

Other Assets

Utility Deposits	<u>493</u>
------------------	------------

Total Assets

\$ 288,719

Liabilities and Net Assets

Current Liabilities

Payroll Taxes Payable	\$ 1,391
Sales Taxes Payable	772
Current Portion of Note Payable	<u>11,588</u>
Total Current Liabilities	<u>13,751</u>

Net Assets

Unrestricted Net Assets	<u>274,968</u>
-------------------------	----------------

Total Liabilities and Net Assets

\$ 288,719

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statement of Activities
For the Year Ended December 31, 2008

Support and Income

Community Projects

Fundraisers	\$ 49,338	
Ministerial Association	<u>1,918</u>	
Total Community Projects		\$ 51,256

Contributions and Grants

Community Businesses	20,328	
Community Organizations	38,254	
Individuals	15,098	
AWG Salvage Food	73,500	
DG Sample Merchandise	10,000	
Additional In-Kind Donations	78,385	
United Way	3,574	
Grant - Randall Phillips Foundation	1,000	
Grant - Second Harvest Food Bank	500	
Grant - State of Tennessee	10,000	
Grant - Wal-Mart Foundation	<u>1,000</u>	
Total Contributions		251,639

Other Income

Sales - Taxable	26,740	
Sales - Nontaxable	28,075	
Rent	5,000	
Other Income	<u>1,321</u>	
Total Other Income		<u>61,136</u>

Total Support and Income		<u>364,031</u>
--------------------------	--	----------------

Expenses

Client Services Expenses

Utilities	75,368	
AWG Food Distributed	73,500	
DG Merchandise Distributed	10,000	
Additional In-Kind Expenses	78,385	
Client Consultant	21,160	
Lodging	12,497	
Client Goods Coordinator - Food	12,368	
Transportation	4,664	
Christmas Food Boxes and Store	3,958	
Donation Coordinator	3,562	
Expressways to Learning	1,230	
Medical	1,031	
Food	932	
Education	150	
Other	<u>102</u>	
Total Client Services Expenses		298,907

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statement of Activities - Continued
For the Year Ended December 31, 2008

General and Administrative Expenses

Staff Workers	\$ 15,460	
Utilities	10,413	
Executive Director	6,255	
Taxes	5,222	
Payroll Taxes	4,778	
Depreciation	4,762	
Insurance	4,639	
Vehicle	3,139	
Supplies	2,260	
Janitorial	2,225	
Repairs & Maintenance	2,114	
Audit	2,000	
Copier Expenses	799	
Pest Control	691	
Interest	551	
Dues	539	
Credit Card Fees	480	
Volunteer Recognition	430	
Internet	395	
Other Expenses	311	
Postage	125	
Total General and Administrative Expenses		<u>\$ 67,588</u>
Total Expenses		<u>366,495</u>
Decrease in Net Assets		(2,464)
Net Assets - Beginning of Year		<u>277,432</u>
Net Assets - End of Year		<u><u>\$ 274,968</u></u>

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statement of Cash Flows
For the Year Ended December 31, 2008

Cash Flows From Operating Activities

Decrease in Net Assets	\$ (2,464)
Adjustments to Reconcile Decrease in Net Assets to Net Cash Used by Operating Activities:	
Depreciation	4,762
Increase in Prepaid Expenses	(44)
Decrease in Payroll Taxes Payable	516
Decrease in Sales Taxes Payable	334
	<hr/>
Total Adjustments	5,568
	<hr/>
Net Cash Provided by Operating Activities	3,104

Cash Flows From Investing Activities

Purchase of Fixed Assets	(8,705)
Net Cash Used by Investing Activities	<hr/> (8,705)

Cash Flows From Financing Activities

Principal Repayments on Note Payable	(15,471)
Net Cash Used by Financing Activities	<hr/> (15,471)

Net Decrease in Cash	(21,072)
Cash - Beginning of Year	<hr/> 84,463
Cash - End of Year	<hr/> <u>\$ 63,391</u>

Supplemental Disclosures:

Cash Paid During the Year for Interest	<hr/> <u>\$ 551</u>
----------------------------------------	---------------------

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements
December 31, 2008

Note 1. Summary of Significant Accounting Policies

A. Organization and Nature of Activities

Goodlettsville Help Center ("GHC") is a nonprofit organization whose purpose is to first help churches, businesses and the community as a whole eliminate duplicate requests from needy families by providing a central location to meet their basic needs. Their needs can be assistance for utilities, food, shelter, prescriptions, transportation and education. GHC also acts as a liaison to the local Police Department for persons seeking assistance. A thrift store is open to the public with reduced rates to support the entire community. All clients receiving direct assistance live in the Goodlettsville, Tennessee, which encompasses portions of Davidson, Robertson and Sumner counties.

B. Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

C. Financial Statement Presentation

The net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the organization and/or the passage of time.

D. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash includes cash on hand and amounts in banks. The Organization has no cash equivalents.

F. Property and Equipment

Equipment is recorded at cost or at the estimated fair market value at the date of donation. Depreciation is calculated using the straight-line method over an estimated useful life of 10 - 39 years. Expenditures for repairs and maintenance are charged to expense as incurred.

Donations of property and equipment are reported at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

G. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If donor-restricted support is given and the restriction is released in the same accounting period, the contribution is considered as unrestricted.

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements - Continued
December 31, 2008

Note 1. Summary of Significant Accounting Policies – Continued

H. Contributed Services

Contributions of services are recognized only if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not donated.

I. Income Taxes

The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

J. Fair Value Measurements

Effective July 1, 2008, the GHC adopted Statement of Financial Accounting Standards (SFAS) No. 157, *Fair Value Measurements*, which defines fair value, establishes guidelines for measuring fair value and expands disclosures regarding fair value measurements. SFAS No. 157 does not require any new fair value measurements but rather eliminates inconsistencies in guidance found in various other accounting pronouncements. The adoption of SFAS No. 157 did not have an impact on the GHC's statement of financial position or the related statements of activities, functional expenses and cash flows.

Assets and liabilities measured at fair value are recorded in accordance with SFAS No. 157, which clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, SFAS No. 157 establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 Inputs – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets and liabilities.

Level 2 Inputs – Inputs other than quoted prices in active markets that are observable either directly or indirectly.

Level 3 Inputs – Unobservable inputs in which there is little or no market data, which requires management to develop their assumptions.

Note 2. Note Payable

The office building occupied by GHC has a note payable in monthly installments of \$1,335, including interest at 7%, due September 2009. The total outstanding balance at December 31, 2008 was as follows:

Total Note Payable	\$ 11,588
Less: Current Portion	(11,588)
Long-Term Note Payable	<u>\$ -</u>

The annual principal maturities at December 31 are as follows:

<u>Year Ending</u>	<u>Amount</u>
2009	11,588

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements - Continued
December 31, 2008

Note 3. In Kind Donations

GHC receives donated food and clothing that is either sold in the thrift store or distributed to needy families. Donated food and clothing included in the financial statements and the corresponding expense for the year ended December 31, 2008 are as follows:

<u>Revenues</u>	
	<u>2008</u>
AWG Donated Food	\$ 73,500
Dollar General Donated Merchandise	10,000
Additional Donated Food	73,300
Additional Donated Clothing	5,085
	<u>\$ 161,885</u>
 <u>Expenses</u>	
	<u>2008</u>
AWG Food Distributed	\$ 73,500
DG Merchandise Distributed	10,000
Additional Donated Food	73,300
Additional Donated Clothing	5,085
	<u>\$ 161,885</u>