

Parker, Parker & Associates, PLC

Certified Public Accountants

1000 NORTHCHASE DRIVE - SUITE 260
GOODLETTSVILLE, TN 37072

STEVEN B. PARKER, CPA
CHARLES N. PARKER, CPA
KAREN R. STEPHENS, CPA
CATHY D. FISHER, CPA
LAUREN S. ALLEN, CPA
CARRIE E. DAWSON, CPA
CHRISTOPHER E. JERNIGAN, CPA

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

June 11, 2010

To the Board of Directors
Goodlettsville Help Center

We have audited the financial statements of Goodlettsville Help Center for the year ended December 31, 2009, and have issued our report thereon dated June 11, 2010. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 25, 2010. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Goodlettsville Help Center are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2009. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements was (were):

Management's estimate of the depreciation expense is based on expected useful life of the assets. We evaluated the key factors and assumptions used to develop the depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of fair value of in-kind donations is based on the number of donations and the average value of boxes distributed based on full, partial, transient, and clothing boxes donated. We evaluated the key factors and assumptions used to develop the in-kind donations in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of significant accounting policies in Note 1 to the financial statements and the in-kind donations in Note 3 were significant because of the impact to the financial statements and the importance in performing program services.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has been provided a schedule summarizing uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements.

taken as a whole. We proposed eight journal entries as a result of the audit. The following material misstatements detected as a result of audit procedures were corrected by management:

- Reclassification of capital expenses from repairs and maintenance to fixed assets increased the net income by \$34,659.
- In-kind revenue and expense of \$154,270 was recorded during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 11, 2010.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of Goodlettsville Help Center and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Parker, Parker & Associates

GOODLETTSVILLE HELP CENTER
Financial Statements
December 31, 2009

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Independent Auditors' Report

To the Board of Directors of
Goodlettsville Help Center
Goodlettsville, Tennessee 37072

We have audited the accompanying statement of financial position of Goodlettsville Help Center (a nonprofit organization) as of December 31, 2009, 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, 2009, 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

June 11, 2010

GOODLETTSVILLE HELP CENTER
Statement of Financial Position
December 31, 2009

Assets

Current Assets

Cash	\$ 79,858
Prepaid Expenses	5,752
Total Current Assets	<u>85,610</u>

Property and Equipment

Land	100,000
Building	182,309
Equipment	10,545
Accumulated Depreciation	<u>(43,663)</u>
Net Property and Equipment	<u>249,191</u>

Other Assets

Utility Deposits	<u>993</u>
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Total Assets

\$ 335,794

Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ 2,362
Payroll Taxes Payable	1,570
Sales Taxes Payable	<u>745</u>
Total Current Liabilities	<u>4,677</u>

Net Assets

Unrestricted Net Assets	<u>331,117</u>
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Total Liabilities and Net Assets

\$ 335,794

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statement of Activities
For the Year Ended December 31, 2009

Support and Income

Community Projects

Fundraisers	\$ 36,171	
Ministerial Association	<u>2,009</u>	
Total Community Projects		\$ 38,180

Contributions and Grants

AWG Salvage Food	36,000	
DG Sample Merchandise	44,000	
Additional In-Kind Donations	154,270	
Community Businesses	5,757	
Community Organizations	41,752	
Grant - Food Lion	1,000	
Grant - Memorial Foundation	35,000	
Grant - Second Harvest Food Bank	1,083	
Grant - Wal-Mart Foundation	2,000	
Individuals	34,767	
United Way	<u>1,869</u>	
Total Contributions		357,498

Other Income

Interest Income	1,136	
Thrift Store Sales	96,543	
Other Income	<u>14,088</u>	
Total Other Income		<u>111,767</u>

Total Support and Income		<u>507,445</u>
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Expenses

Client Services Expenses

Additional In-Kind Expenses	154,270	
AWG Food Distributed	36,000	
Christmas Food Boxes and Store	7,120	
Client Consultant	12,236	
Client Goods Coordinator - Food	10,561	
DG Merchandise Distributed	44,000	
Donation Coordinator	13,933	
Education	25	
Expressways to Learning	1,208	
Food	462	
Lodging	4,331	
Medical	952	
Transportation	1,925	
Utilities	<u>69,043</u>	
Total Client Services Expenses		356,066

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statement of Activities - Continued
For the Year Ended December 31, 2009

General and Administrative Expenses

Advertising	\$ 648	
Audit	4,367	
Copier Expenses	829	
Depreciation	5,812	
Dues	695	
Executive Director	2,100	
Insurance	4,738	
Internet	132	
Janitorial	2,350	
Manager	14,556	
Merchant Fees	977	
Other Expenses	399	
Payroll Taxes	5,923	
Pest Control	707	
Postage	431	
Repairs & Maintenance	8,208	
Staff Workers	16,887	
Supplies	3,759	
Taxes	5,243	
Utilities	10,814	
Vehicle	5,620	
Volunteer Recognition	35	
Total General and Administrative Expenses	<u>95,230</u>	
Total Expenses		<u>451,296</u>
Increase in Net Assets		56,149
Net Assets - Beginning of Year		<u>274,968</u>
Net Assets - End of Year		<u><u>\$ 331,117</u></u>

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statement of Cash Flows
For the Year Ended December 31, 2009

Cash Flows From Operating Activities	
Increase in Net Assets	\$ 56,149
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	5,812
Increase in Prepaid Expenses	(1,260)
Increase Utility Deposits	(500)
Increase in Accounts Payable	2,362
Increase in Payroll Taxes Payable	179
Decrease in Sales Taxes Payable	(27)
Total Adjustments	6,566
Net Cash Provided by Operating Activities	62,715
 Cash Flows From Investing Activities	
Purchase of Fixed Assets	(34,660)
Net Cash Used by Investing Activities	(34,660)
 Cash Flows From Financing Activities	
Principal Repayments on Note Payable	(11,588)
Net Cash Used by Financing Activities	(11,588)
 Net Increase In Cash	16,467
 Cash - Beginning of Year	63,391
 Cash - End of Year	\$ 79,858
 Supplemental Disclosures:	
 Cash Paid During the Year for Interest	\$ 338

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements
December 31, 2009

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 area, 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

Financial statement presentation is reported in accordance with the FASB Accounting Standards Codification for *Presentation of Financial Statements, Not-For-Profit Entities*. Under those provisions, net assets and revenues, gains, and losses are classified based on the absence or existence and nature of donor-imposed restrictions as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

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. GHC 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-

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements
December 31, 2009

Note 1. Summary of Significant Accounting Policies – Continued

G. Contributions- continued

restricted support is given and the restriction is released in the same accounting period, the contribution is considered as unrestricted.

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

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

J. Fair Value Measurements

Management has adopted the *Fair Value Measurements and Disclosures* topic of the FASB Accounting Standards Codification for determining fair value of financial assets and liabilities that are required to be carried at such amounts. Fair value is required to be evaluated and adjusted according to the following valuation techniques:

Level 1: Fair value is determined using quoted market prices in active markets for identical assets and liabilities.

Level 2: Fair value is determined using quoted market prices in active markets for similar assets and liabilities.

Level 3: Fair value is determined using unobservable market prices in a market that is typically inactive.

K. Advertising Costs

GHC expenses advertising costs as incurred. Advertising expenses for the year ended December 31, 2009 were \$648.

Note 2. Note Payable

During 2009, GHC paid off an outstanding note payable for the building. Interest expense for the note payable for the year ended December 31, 2009 was \$338.

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 expenses for the year ended December 31, 2009 are as follows:

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements - Continued
December 31, 2009

Note 3. In Kind Donations- continued

Revenues	
	2009
AWG Donated Food	\$ 36,000
Dollar General Donated Merchandise	44,000
Additional Donated Food	139,030
Additional Donated Clothing	15,240
	<u>\$ 234,270</u>
 Expenses	
	2009
AWG Food Distributed	\$ 36,000
DG Merchandise Distributed	44,000
Additional Donated Food	139,030
Additional Donated Clothing	15,240
	<u>\$ 234,270</u>

Note 4. Subsequent Events

GHC has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended December 31, 2009 through June 11, 2010, the date the financial statements were available to be issued. As of February 1, 2010, Jackie Jeske is the new Executive Director and Karen Sellwock is the Manager. Effective January 1, 2010, GHC is no longer offering Expressway to Learning computer assistance to the community.