

**GOODLETTSVILLE HELP CENTER**  
**Financial Statements**  
**December 31, 2014**

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## Independent Auditors' Report

To the Board of Directors of  
Goodlettsville Help Center

We have audited the accompanying financial statements of Goodlettsville Help Center (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities and cash flows for the years 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 audits. We conducted our audits 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 Goodlettsville Help Center as of December 31, 2014 and 2013, 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.

*Parker, Parker & Associates*

February 16, 2015

**GOODLETTSVILLE HELP CENTER**  
**Statements of Financial Position**  
**December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 70,253	\$ 110,827
Contributions Receivable	-	1,750
Prepaid Expenses	5,736	7,405
Inventory	16,457	8,000
Total Current Assets	<u>92,446</u>	<u>127,982</u>
<b>Property and Equipment</b>		
Land	100,000	100,000
Building	142,195	142,195
Equipment	24,922	23,716
Improvements	85,372	83,922
Vehicles	18,848	15,559
Construction In Progress	1,405	-
Accumulated Depreciation	<u>(94,931)</u>	<u>(80,476)</u>
Net Property and Equipment	<u>277,811</u>	<u>284,916</u>
<b>Other Assets</b>		
Deposits	<u>4,693</u>	<u>4,693</u>
Total Other Assets	<u>4,693</u>	<u>4,693</u>
<b>Total Assets</b>	<u><u>\$ 374,950</u></u>	<u><u>\$ 417,591</u></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Payroll Taxes Payable	\$ 1,733	\$ 2,041
Sales Taxes Payable	1,023	3,563
Contingent Liability	-	20,133
Total Current Liabilities	<u>2,756</u>	<u>25,737</u>
<b>Net Assets</b>		
Unrestricted Net Assets	362,349	388,604
Temporarily Restricted Net Assets	<u>9,845</u>	<u>3,250</u>
Total Net Assets	<u>372,194</u>	<u>391,854</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 374,950</u></u>	<u><u>\$ 417,591</u></u>

See notes to financial statements.

**GOODLETTSVILLE HELP CENTER**  
**Statements of Activities**  
**For the Years Ended December 31, 2014 and 2013**

	2014	2013
<b>Unrestricted Net Assets</b>		
<b>Community Projects</b>		
Fundraisers	\$ 33,937	\$ 37,229
<b>Total Community Projects</b>	<u>33,937</u>	<u>37,229</u>
<b>Contributions and Grants</b>		
Contributions	43,086	53,371
Grants	2,820	2,870
In-Kind Donations	538,519	591,055
United Way	1,916	2,583
<b>Total Contributions and Grants</b>	<u>587,340</u>	<u>649,879</u>
<b>Other Income</b>		
Interest Income	308	376
Thrift Store Sales	179,753	174,478
<b>Total Other Income</b>	<u>180,059</u>	<u>174,854</u>
<b>Total Support and Income</b>	<u>801,336</u>	<u>861,962</u>
<b>Not Assets Released from Restrictions</b>		
Restrictions Satisfied by Payments	1,405	-
<b>Total Support, Income and Reclassifications</b>	<u>802,741</u>	<u>861,962</u>
<b>Expenses</b>		
<b>Program Expenses</b>		
Clothing and Merchandise	-	67,500
Computer Lab	234	25
Education	-	400
Food	361,224	352,451
Lodging	722	7,331
Medical	927	1,509
Payroll	77,125	67,184
Payroll Taxes	5,900	5,140
Rent	38,400	8,600
Thrift Store Cost of Goods Sold	179,752	174,478
Transportation	2,722	3,878
Utilities	42,245	31,594
Vehicle Expense	1,879	2,813
Other	715	243
<b>Total Program Expenses</b>	<u>711,645</u>	<u>724,146</u>
<b>Supporting Services</b>		
<b>General and Administrative Expenses</b>		
Advertising	2,060	2,284
Audit	7,700	7,017
Copier Expenses	2,702	2,944
Depreciation	14,455	11,801
Dues	120	120
Insurance	10,101	10,264
Janitorial	-	1,800
Legal Fees	1,395	-
Merchant Fees	2,962	2,419
Other Expenses	7,464	20,628
Payroll	28,324	38,050
Payroll Taxes	2,822	4,545
Pest Control	405	242
Postage	274	292
Registration Fees	640	135
Repairs & Maintenance	4,040	5,369
Supplies	3,445	4,560
Taxes & Fees	22	622
Utilities	14,897	15,497
Volunteer Recognition	1,259	1,902
<b>Total General and Administrative Expenses</b>	<u>105,087</u>	<u>130,501</u>
<b>Fundraising Expenses</b>	<u>12,264</u>	<u>7,677</u>
<b>Total Supporting Services</b>	<u>117,351</u>	<u>138,178</u>
<b>Total Expenses</b>	<u>828,996</u>	<u>862,323</u>
<b>Increase (Decrease) in Unrestricted Net Assets</b>	<u>(26,255)</u>	<u>(361)</u>
<b>Temporarily Restricted Net Assets</b>		
Contributions	8,000	3,250
Amounts Released from Restriction	(1,405)	-
<b>Increase in Temporarily Restricted Net Assets</b>	<u>6,595</u>	<u>3,250</u>
<b>Increase in Net Assets</b>	<u>(19,660)</u>	<u>2,889</u>
<b>Net Assets - Beginning of Year</b>	<u>391,854</u>	<u>388,965</u>
<b>Net Assets - End of Year</b>	<u>\$ 372,194</u>	<u>\$ 391,854</u>

See notes to financial statements.

**GOODLETTSVILLE HELP CENTER**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<b>Cash Flows From Operating Activities</b>		
Increase in Net Assets	<u>\$ (19,660)</u>	<u>\$ 2,889</u>
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	14,455	11,801
(Increase) Decrease in:		
Contributions Receivable	1,750	(1,750)
Prepaid Expenses	1,669	(529)
Inventory	(8,457)	(8,000)
Deposits	-	(3,700)
Increase (Decrease) in:		
Payroll Taxes Payable	(308)	428
Sales Taxes Payable	(2,540)	1,287
Contingent Liability	<u>(20,133)</u>	<u>20,133</u>
Total Adjustments	<u>(13,564)</u>	<u>19,670</u>
Net Cash Provided (Used) by Operating Activities	<u>(33,224)</u>	<u>22,559</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of Fixed Assets	<u>(7,350)</u>	<u>(22,543)</u>
Net Cash Used by Investing Activities	<u>(7,350)</u>	<u>(22,543)</u>
Net Increase (Decrease) In Cash	(40,574)	16
Cash - Beginning of Year	<u>110,827</u>	<u>110,811</u>
Cash - End of Year	<u><u>\$ 70,253</u></u>	<u><u>\$ 110,827</u></u>

See notes to financial statements.

**GOODLETTSVILLE HELP CENTER**  
**Notes to Financial Statements**  
**December 31, 2014 and 2013**

**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 help churches, businesses, and the community 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.

Temporarily restricted net assets - Net assets subject to donor-imposed restrictions that can be fulfilled by actions of GHC pursuant to those restrictions or that expire by the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed restrictions that may be maintained permanently by GHC.

**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. Thrift Store Inventory and Donations**

Inventory, which consists of donated clothing, household goods, furniture, and various other items, are held for sale at the thrift store. Since there is no purchase cost to the Organization, inventory and donations revenue are recorded at fair value determined by the price at which the item can be sold on the date of donation.

**G. Property and Equipment**

Property and Equipment with cost greater than \$500 and useful lives greater than one year are 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 5 - 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

**GOODLETTSVILLE HELP CENTER**  
**Notes to Financial Statements – Continued**  
**December 31, 2014 and 2013**

**Note 1. Summary of Significant Accounting Policies – Continued**

**G. Property and Equipment – Continued**

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.

**H. 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.

**I. 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.

**J. Income Taxes**

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

GHC's 2011, 2012, and 2013 Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by the Internal Revenue Service, generally for three years from the date filed.

**K. Advertising Costs**

GHC expenses advertising costs as incurred. Advertising expenses for the year ended December 31, 2014 and 2013 were \$2,060 and \$2,294.

**L. Reclassifications**

Certain reclassifications have been made to the 2013 financial statements in order to conform to the 2014 financial statement presentation.

**Note 2. In-Kind Donations**

GHC receives donated food and clothing that is either sold in the thrift store or distributed to needy families. The value of donated food and clothing included in the financial statements and the corresponding expenses for the years ended December 31, 2014 and 2013 are as follows:

	<b>Revenues</b>	
	<b>2014</b>	<b>2013</b>
In-Kind Donations	<u>\$ 539,519</u>	<u>\$ 591,055</u>
	<u>\$ 539,519</u>	<u>\$ 591,055</u>

**GOODLETTSVILLE HELP CENTER**  
**Notes to Financial Statements – Continued**  
**December 31, 2014 and 2013**

**Note 2. In-Kind Donations – Continued**

	<b>Assets and Expenses</b>	
	<b>2014</b>	<b>2013</b>
Clothing and Merchandise	-	67,500
Food	344,609	327,978
Inventory	8,457	8,000
Rent	3,200	9,600
Thrift Store Cost of Goods Sold	179,753	174,477
Audit	3,500	3,500
	<u><b>\$ 539,519</b></u>	<u><b>\$ 591,055</b></u>

**Note 3. Temporarily Restricted Net Assets**

Temporarily restricted net assets as of December 31, 2014 and 2013 include contributions for capital improvements.

**Note 4. Leases**

GHC leases retail space for the thrift store for \$3,200 per month. The lease expires in October 2016 with an option to lease for an additional two years. Future minimum lease payments are as follows:

<b>Year Ending December 31,</b>	<b>Amount</b>
2015	\$ 43,900
2016	37,000
	<u><b>\$ 80,900</b></u>

Rent Expense for the year ended December 31, 2014 and 2013 was \$38,400 and \$9,600.

**Note 5. Subsequent Events**

GHC has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended December 31, 2014 through February 16, 2015, the date the financial statements were available to be issued. There were no subsequent events that required recognition or disclosure in the financial statements.