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Independent Auditors' Report

To the Board of Directors of
Goodlettsville Help Center

We have audited the accompanying statements of financial position of Goodlettsville Help Center (a nonprofit organization) as of December 31, 2011 and 2010, and the related statements of activities and cash flows for the years 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 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 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 audits provide 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, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Parker, Parker & Associates

June 15, 2012

GOODLETTSVILLE HELP CENTER
Financial Statements
December 31, 2011

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GOODLETTSVILLE HELP CENTER
Statements of Financial Position
December 31, 2011 and 2010

	Assets	<u>2011</u>	<u>2010</u>
Current Assets			
Cash		\$ 114,386	\$ 103,479
Grant Receivable		-	2,833
Other Accounts Receivable		303	1,090
Prepaid Expenses		6,805	-
Total Current Assets		<u>121,494</u>	<u>107,402</u>
Property and Equipment			
Land		100,000	100,000
Building		142,195	182,309
Equipment		14,964	19,204
Improvements		50,867	-
Vehicles		7,338	-
Accumulated Depreciation		(59,288)	(50,542)
Net Property and Equipment		<u>256,076</u>	<u>250,971</u>
Other Assets			
Utility Deposits		<u>993</u>	<u>993</u>
Total Assets		<u><u>\$ 378,563</u></u>	<u><u>\$ 359,366</u></u>
	Liabilities and Net Assets		
Current Liabilities			
Payroll Taxes Payable		\$ 1,651	\$ 1,977
Sales Taxes Payable		1,943	1,591
Total Current Liabilities		<u>3,594</u>	<u>3,568</u>
Net Assets			
Unrestricted Net Assets		<u>374,969</u>	<u>355,798</u>
Total Liabilities and Net Assets		<u><u>\$ 378,563</u></u>	<u><u>\$ 359,366</u></u>

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statements of Activities
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Support and Income		
Community Projects		
Fundraisers	\$ 41,623	\$ 42,252
Contributions and Grants		
Contributions	46,912	78,571
Grants	7,041	36,166
In-Kind Donations	531,010	474,464
United Way	121	-
Total Contributions	<u>585,084</u>	<u>589,201</u>
Other Income		
Interest Income	405	214
Thrift Store Sales	126,639	104,918
Total Other Income	<u>127,044</u>	<u>105,132</u>
Total Support and Income	<u>753,751</u>	<u>736,585</u>
Expenses		
Program Expenses		
Christmas Toy DriveStore	-	822
Clothing	107,286	122,228
Computer Lab	592	-
Education	166	379
Food	431,413	356,199
Lodging	9,022	3,910
Medical	2,193	3,598
Payroll	35,168	41,117
Transportation	8,781	3,419
Utilities	25,336	72,694
Vehicle Expense	2,375	-
Total Program Expenses	<u>622,332</u>	<u>604,365</u>
Supporting Services		
General and Administrative Expenses		
Advertising	1,766	1,370
Audit	7,094	2,800
Copier Expenses	2,925	1,419
Depreciation	8,746	6,879
Dues	128	266
Insurance	6,591	5,758
Janitorial	2,200	2,400
Merchant Fees	1,529	1,440
Other Expenses	55	-
Payroll	42,540	38,720
Payroll Taxes	6,921	8,219
Pest Control	1,061	724
Postage	378	549
Registration Fees	100	-
Repairs & Maintenance	669	2,130
Supplies	2,239	5,977
Taxes	345	3,601
Utilities	11,689	13,977
Vehicle	1,475	5,191
Volunteer Recognition	1,572	1,144
Total General and Administrative Expenses	<u>100,023</u>	<u>102,560</u>

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statements of Activities - Continued
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Fundraising Expenses	12,225	4,978
Total Supporting Services	112,248	107,538
Total Expenses	734,580	711,904
Increase in Net Assets	19,171	24,681
Net Assets - Beginning of Year	355,798	331,117
Net Assets - End of Year	<u>\$ 374,969</u>	<u>\$ 355,798</u>

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statements of Cash Flows
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities		
Increase in Net Assets	\$ 19,171	\$ 24,681
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	8,746	6,879
(Increase) Decrease in:		
Grants Receivable	2,833	(2,833)
Other Accounts Receivable	787	(1,090)
Prepaid Expenses	(6,805)	5,752
Increase (Decrease) in:		
Accounts Payable	-	(2,362)
Payroll Taxes Payable	(326)	407
Sales Taxes Payable	352	846
Total Adjustments	<u>5,587</u>	<u>7,599</u>
Net Cash Provided by Operating Activities	<u>24,758</u>	<u>32,280</u>
Cash Flows From Investing Activities		
Purchase of Fixed Assets	<u>(13,851)</u>	<u>(8,659)</u>
Net Cash Used by Investing Activities	<u>(13,851)</u>	<u>(8,659)</u>
Net Increase In Cash	10,907	23,621
Cash - Beginning of Year	<u>103,479</u>	<u>79,858</u>
Cash - End of Year	<u>\$ 114,386</u>	<u>\$ 103,479</u>

See notes to financial statements.

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements
December 31, 2011

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. 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 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 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.

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements
December 31, 2011

Note 1. Summary of Significant Accounting Policies – Continued

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.

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.

GHC's 2009, 2010, and 2011 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.

J. Advertising Costs

GHC expenses advertising costs as incurred. Advertising expenses for the year ended December 31, 2011 and 2010 were \$1,766 and \$1,370.

K. Reclassifications

Certain reclassifications have been made to the 2010 financial statements to conform to the 2011 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, 2011 and 2010 are as follows:

Revenues		
	2011	2010
In-Kind Donations	<u>\$ 623,485</u>	<u>\$ 474,464</u>
	<u>\$ 623,485</u>	<u>\$ 474,464</u>
Expenses		
	2011	2010
Clothing	107,286	122,228
Food	510,018	352,236
Transportation	2,681	
Audit	3,500	-
	<u>\$ 623,485</u>	<u>\$ 474,464</u>

Note 3. Subsequent Events

GHC has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended December 31, 2011 through June 15, 2012, the date the financial statements were available to be issued. There were no subsequent events that required recognition or disclosure in the financial statements.