

GOODLETTSVILLE HELP CENTER
Financial Statements
December 31, 2006

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

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Independent Auditors' 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, 2006, 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, 2006, 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

May 27, 2008

GOODLETTSVILLE HELP CENTER
Statement of Financial Position
December 31, 2006

ASSETS

Current Assets	
Cash	\$ 103,626
Property and Equipment	
Land	100,000
Building	142,195
Equipment	7,295
Accumulated Depreciation	(28,714)
Net Property and Equipment	<u>220,776</u>
Other Assets	
Utility Deposits	<u>493</u>
Total Assets	<u><u>\$ 324,895</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Payroll Taxes Payable	\$ 420
Sales Taxes Payable	324
Current Portion of Note Payable	<u>13,663</u>
Total Current Liabilities	<u>14,407</u>
Long-Term Liabilities	
Note Payable	<u>26,934</u>
Net Assets	
Unrestricted Net Assets	<u>283,554</u>
Total Liabilities and Net Assets	<u><u>\$ 324,895</u></u>

See independent auditors' report and notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statement of Activities
For the Year Ended December 31, 2006

Income

Community Projects

Fundraisers	\$ 31,582	
Ministerial Association	1,319	
Expressways to Learning Fees	5	
Tornado Funds	103,697	
Total Community Projects	<u>103,697</u>	\$ 136,603

Contributions

Community Businesses	2,015	
Community Organizations	41,336	
Individuals	16,304	
City of Goodlettsville	10,000	
AWG Salvage Food	82,000	
DG Sample Merchandise	30,000	
Total Contributions	<u>181,655</u>	181,655

Other Income

Sales - Taxable	15,836	
Sales - Nontaxable	20,644	
Rent	6,000	
United Way	3,437	
Combined Federal Campaign	83	
Grant - Randall Phillips Foundation	2,000	
Interest Income	2	
Other Income	4,334	
Total Other Income	<u>52,336</u>	52,336
Total Income		<u>370,594</u>

Expenses

Client Services Expenses

Christmas Food Boxes and Store	5,557	
Client Consultant	7,963	
Client Goods Coordinator - Food	11,084	
Client Goods Coordinator - Goods	5,766	
Expressways to Learning	914	
Lodging	7,930	
Medical	914	
Transportation	2,285	
Utilities	29,789	
Other	384	
AWG Food Distributed	82,000	
DG Merchandise Distributed	30,000	
Tornado Expenses	40,395	
Total Client Services Expenses	<u>224,981</u>	224,981

See independent auditors' report and notes to financial statements.

GOODLETTSVILLE HELP CENTER
Statement of Activities - Continued
For the Year Ended December 31, 2006

Operating Expenses		
Advertising	\$	26
Depreciation		4,376
Executive Director		11,700
Insurance		8,703
Interest		3,579
Internet		367
Janitorial		2,050
Payroll Taxes		3,815
Pest Control		2,123
Postage		280
Repairs & Maintenance		1,692
Staff Workers		12,066
Supplies		2,125
Other Expenses		82
Taxes		5,593
Utilities		6,595
Vehicle		6,458
Total Operating Expenses		<u>\$ 71,630</u>
Total Expenses		<u>296,611</u>
Net Income		73,983
Net Assets - Beginning of Year		<u>209,571</u>
Net Assets - End of Year		<u><u>\$ 283,554</u></u>

See independent auditors' report and notes to financial statements.

GOODLETTSVILLE HELP CENTER
Cash Flows Statement
For the Year Ended December 31, 2006

Cash Flows From Operating Activities

Operating Income	<u>\$ 73,983</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	4,376
Decrease in Payroll Taxes Payable	(116)
Decrease in Sales Taxes Payable	<u>(432)</u>
Total Adjustments	<u>3,828</u>
Net Cash Provided by Operating Activities	<u>77,811</u>

Cash Flows from Financing Activities

Principal Repayments on Note Payable	<u>(12,443)</u>
Net Increase in Cash	65,368
Cash - Beginning of Year	<u>38,258</u>
Cash - End of Year	<u><u>\$ 103,626</u></u>

Supplemental Disclosures

Cash Paid During the Year for Interest	<u><u>\$ 3,579</u></u>
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See independent auditors' report and notes to financial statements.

GOODLETTSVILLE HELP CENTER
Notes to Financial Statements
December 31, 2006

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 of GHC's clients live in 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
December 31, 2005

Note 1. Summary of Significant Accounting Policies – Continued

K. Income Taxes

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

L. 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.

Note 2. Risk Concentrations

The Organization has cash deposits in one financial institution in excess of the amount insured by the Federal Depository Insurance Corporation (FDIC). For the year ended December 31, 2006, the amount of deposits in excess of FDIC limits totaled \$10,195. The Organization believes it is not exposed to any significant credit risk on cash.

Note 3. 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, 2006 was as follows:

Total Note Payable	\$ 40,597
Less: Current Portion	<u>(13,663)</u>
Long-Term Note Payable	<u>\$ 26,934</u>

The annual principal maturities are as follows:

<u>Year Ending</u>	<u>Amount</u>
2007	\$ 13,663
2008	14,550
2009	12,284