

*Combined Financial Statements
and Supplementary Information*

**THE CHRISTIAN SHARING CENTER, INC. AND
SHARING CENTER PROPERTIES, INC.**

September 30, 2019

**THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.**

Combined Financial Statements and Supplementary Information

September 30, 2019

(With Independent Auditor's Report Thereon)

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

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Independent Auditor's Report

The Board of Directors
The Christian Sharing Center, Inc. and Sharing Center Properties, Inc.:

We have audited the accompanying combined financial statements of The Christian Sharing Center, Inc. and Sharing Center Properties, Inc. (a nonprofit organization), which comprise the combined statement of financial position as of September 30, 2019, and the related combined statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Standards Applicable to Financial Audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the combined financial position of The Christian Sharing Center, Inc. and Sharing Center Properties, Inc. as of September 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was performed for the purpose of forming an opinion on the combined financial statements taken as a whole. The schedules on pages 18 thru 20 are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Schatz, Tschoff, Whitcomb, Mitchell & Shulman, LLP

Maitland, Florida
January 28, 2020

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Combined Statement of Financial Position

September 30, 2019

Assets

Current Assets:

Cash and cash equivalents, including restricted cash of \$172,206	\$ 724,283
Accounts receivable - grants	51,296
Prepaid expenses	11,597
Contributions receivable, net of allowance of \$3,600 (note 4)	17,045
Donated inventories (note 5)	322,062

Total current assets 1,126,283

Property and equipment, net (notes 6 and 7) 2,205,215

Contributions receivable, net of allowance of \$8,400 (note 4) 34,056

Other assets 8,546

Total assets \$ 3,374,100

Liabilities and Net Assets

Current Liabilities:

Current portion of long-term debt (note 7)	\$ 54,882
Accrued payroll and taxes	70,407
Accrued expenses - other	25,319
Security deposits	14,700

Total current liabilities 165,308

Long-term debt, net of current portion (note 7) 1,285,358

Total liabilities 1,450,666

Net assets:

Without donor restrictions 1,648,831

With donor restrictions (note 12) 274,603

Total net assets 1,923,434

Total liabilities and net assets \$ 3,374,100

See accompanying notes to financial statements.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Combined Statement of Activities

Year ended September 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Public support:			
Contributions	\$ 1,005,586	5,785	1,011,371
Grants	316,000	-	316,000
Value of non-cash contributions for clients (note 11)	2,844,550	-	2,844,550
Thrift store revenue from non-cash contributions (note 11)	1,046,268	-	1,046,268
Total public support	5,212,404	5,785	5,218,189
Revenue:			
Special events, net of direct benefit to donor costs of \$12,756	136,555	-	136,555
Rental income	135,483	-	135,483
Interest income	3,315	-	3,315
Other income	4,389	-	4,389
Total public support	279,742	-	279,742
Total public support and revenue	5,492,146	5,785	5,497,931
Net assets released from restrictions	55,838	(55,838)	-
Total public support and revenue	5,547,984	(50,053)	5,497,931
Expenses:			
Program services, including the value of non-cash contributions distributed to clients of \$2,875,936 (note 11):			
Client services	4,122,523	-	4,122,523
Thrift store	512,294	-	512,294
Supporting services:			
General and administrative	257,952	-	257,952
Fundraising	247,383	-	247,383
Total expenses	5,140,152	-	5,140,152
Change in net assets	407,832	(50,053)	357,779
Net assets, beginning of year	1,240,999	324,656	1,565,655
Net assets, end of year	\$ 1,648,831	274,603	1,923,434

See accompanying notes to financial statements.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Combined Statement of Functional Expenses

Year ended September 30, 2019

	Combined					Total Expenses
	Program Services			Supporting Services		
	Client Services	Thrift Store	Total	Administrative	Fund Raising	
Salaries, wages and related expenses:						
Salaries and wages	\$ 610,855	287,461	898,316	177,457	177,457	1,253,230
Payroll taxes	48,901	22,413	71,314	14,262	16,301	101,877
Employee benefits	25,125	11,824	36,949	7,299	7,299	51,547
Retirement plan	9,581	5,108	14,689	2,728	689	18,106
Total salaries, wages and related expenses	694,462	326,806	1,021,268	201,746	201,746	1,424,760
Operating expenses:						
Vehicles	4,162	5,885	10,047	2,871	1,435	14,353
Bank service charges	10,618	10,618	21,236	-	-	21,236
Dues and subscriptions	132	-	132	1,184	-	1,316
Equipment costs	6,004	-	6,004	2,001	-	8,005
Insurance	13,107	18,365	31,472	5,253	3,856	40,581
Marketing, advertising and fundraising costs	2,519	-	2,519	123	4,581	7,223
Meetings and seminars	711	335	1,046	206	206	1,458
Office supplies	13,438	14,167	27,605	5,454	5,454	38,513
Printing	2,520	1,186	3,706	732	732	5,170
Postage & delivery	677	-	677	431	123	1,231
Professional fees	8,190	-	8,190	3,510	-	11,700
Value of non-cash contributions distributed to clients	2,875,936	-	2,875,936	-	-	2,875,936
Client assistance	351,108	-	351,108	-	-	351,108
Building maintenance and repairs	21,885	24,137	46,022	5,210	5,210	56,442
Information technology	15,572	-	15,572	5,191	-	20,763
Telephone	3,284	2,453	5,737	650	650	7,037
Utilities	24,910	27,479	52,389	5,933	5,933	64,255
Miscellaneous expense	6,021	6,648	12,669	1,443	1,443	15,555
Interest expense	24,870	27,453	52,323	5,914	5,914	64,151
Taxes and licenses	362	400	762	86	86	934
Total functional expenses before depreciation	4,080,488	465,932	4,546,420	247,938	237,369	5,031,727
Depreciation	42,035	46,362	88,397	10,014	10,014	108,425
Total expenses	\$ 4,122,523	512,294	4,634,817	257,952	247,383	5,140,152

See accompanying notes to financial statements.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Combined Statement of Cash Flows

Year ended September 30, 2019

Cash flows from operating activities:	
Change in net assets	\$ 357,779
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	108,425
In-kind contributions of food, clothing and other items for clients	(2,844,550)
Distributions of food, clothing and other items for clients	2,875,936
In-kind contributions of thrift store items	(1,046,268)
Donated thrift store sales	1,023,328
Changes in operating assets and liabilities:	
Accounts receivable - grants	15,064
Contributions receivable	33,649
Prepaid expenses	(3,923)
Other assets	(2,658)
Accounts payable and accrued expenses	(36,419)
Net cash provided by operating activities	<u>480,363</u>
Cash flows from investing activities:	
Purchases of property and equipment	<u>(9,986)</u>
Net cash used in investing activities	<u>(9,986)</u>
Cash flows from financing activities:	
Payments on notes payable	<u>(73,708)</u>
Net cash used in financing activities	<u>(73,708)</u>
Net increase in cash and cash equivalents	396,669
Cash and cash equivalents - beginning of year	<u>327,614</u>
Cash and cash equivalents - end of year	<u><u>\$ 724,283</u></u>
Supplemental disclosure of cash flow information:	
Cash paid for interest	<u><u>\$ 55,975</u></u>

See accompanying notes to financial statements.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(1) **Organization and Summary of Significant Accounting Policies**

(a) **Organization**

The Christian Sharing Center, Inc. (the Center) was incorporated as a not-for-profit organization dedicated to providing social services to individuals and families in need. The Center also provides material assistance such as food, rent, utility payments, furniture, clothing, lodging and such other needs. The Center is supported through donations from individuals, corporations, foundations, local churches, and a grant from Seminole County, Florida. The Center also operates a thrift store.

Sharing Center Properties, Inc. (Properties) is a separate not-for-profit entity that was formed by the Center in 2004 to purchase and hold title to a shopping mall whose facilities are leased to charitable organizations and other unrelated businesses. The Center leases approximately 70% of the total space at the mall. Collectively, the Center and Properties are identified as “the Organizations”.

(b) **Basis of Presentation**

The accompanying combined financial statements have been prepared on the accrual basis and represent the combined financial position and combined results of operations of the Organizations. The accompanying combined financial statements include the accounts of The Christian Sharing Center, Inc. and Sharing Center Properties, Inc. (the Organizations), which have been combined due to the level of control exercised by the Center. All significant inter-company accounts and transactions have been eliminated in consolidation.

The Organizations’ resources are classified and reported based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organizations and changes therein are classified and reported as follows:

- Net assets without donor restrictions---Net assets that are not subject to donor-imposed stipulations and, therefore, available for use in general operations.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(1) Organization and Summary of Significant Accounting Policies - Continued

(b) Basis of Presentation - Continued

- Net assets with donor restrictions---Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donor-imposed restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

(c) Principles of Combination

The combined financial statements include the accounts of The Christian Sharing Center, Inc. and Sharing Center Properties, Inc. All inter-company transactions have been eliminated in consolidation.

(d) Revenue and Expense Recognition

The Organizations recognize public support, revenue, and expenses on the accrual basis. Public support and revenues from grants and contracts are generally recognized as eligible costs are incurred and/or required services are performed. Functional expenses are allocated between programs on the basis of specific identification, where possible, or management's best estimates.

(e) Contributions

Contributions received are recorded as without donor restricted or with donor restricted support, depending on the existence or nature of any donor restrictions.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(1) **Organization and Summary of Significant Accounting Policies - Continued**

(f) **Unconditional Promises to Give**

Unconditional promises to give are recognized as revenues in the period made or received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected within one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

(g) **Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Organizations consider all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

(h) **Land, Buildings and Equipment**

Land, buildings and equipment are capitalized at cost when purchased or at estimated fair value at the date of gift if donated. Assets are capitalized when the purchase price exceeds \$2,500 and the estimated useful life is more than one year. Depreciation is provided on a straight-line basis over the following estimated useful lives of the assets as follows:

Furniture and equipment	3 – 7 years
Land improvements	15 years
Building and building improvements	39 years

(i) **Income Taxes**

The Organizations are organized as non-profit organizations and are currently exempt from federal income taxes under the provisions of Section 501(c)(3) (the Center) and 501(c)(2) (Properties) of the Internal Revenue Code, except for Properties' unrelated business income for rental activities that is taxed at corporate rates.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(1) Organization and Summary of Significant Accounting Policies - Continued

(i) Income Taxes - Continued

The Organizations have adopted provisions of the Income Tax Topic of the ASC. These provisions clarify the accounting for uncertainty in tax positions taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statement of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. As of September 30, 2019, the Organizations had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

The Organizations' income tax returns are subject to review and examination by federal authorities. The Organizations are not aware of any activities that would jeopardize its tax-exempt status. The Organizations are not aware of any activities that are subject to tax on unrelated business income, excise or other taxes. The tax returns for the fiscal years ended from 2016 to 2018 are open to examination by federal authorities.

(j) Estimates

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

(k) Concentration of Credit Risk

Financial instruments that potentially subject the Organizations to concentrations of credit risk are primarily cash and accounts receivable. The Organizations' cash deposits are placed in highly rated financial institutions which at times may exceed the Federal Deposit Insurance Corporation (FDIC) coverage. The Organizations have not experienced any losses in its cash accounts and does not believe it is exposed to any significant credit risks related to uninsured amounts.

The Organizations grant credit primarily to governmental agencies and pass-through entities. The Organizations have not experienced any losses in such accounts and does not believe it is exposed to any significant credit risks on these accounts.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(1) Organization and Summary of Significant Accounting Policies - Continued

(l) Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the combined statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited on an analysis of personnel time, space utilized, and utilities consumed for the related activities. For the year ended September 30, 2019, the supporting services were 9.8% of total expenses.

(m) Donated Materials and Services

The Organizations record the value of donated goods or services when there is an objective basis available to measure their value. Donated materials, equipment and services are reflected as contributions in the accompanying combined financial statements at their estimated fair values at the date of receipt. No amount has been reflected in the combined financial statements for volunteer hours, as no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers donated significant amounts of their time in The Christian Sharing Center, Inc. and Sharing Center Properties, Inc.'s program services.

(n) Subsequent Events

In preparing these combined financial statements, the Organizations have evaluated subsequent events and transactions for potential recognition and disclosure through January 28, 2020, which is the date the combined financial statements were available to be issued. All subsequent events requiring recognition as of January 28, 2020, have been incorporated into these combined financial statements.

(o) Change in Accounting Principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(2) **Liquidity and Availability**

As of September 30, 2019, the Organization has \$620,418 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure. Financial assets subject to donor or other restrictions that make them unavailable for general expenditure within one year of the balance sheet date were \$172,206 as of September 30, 2019. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table reflects the Organization's financial assets as of September 30, 2019 reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date.

Cash and cash equivalents	\$ 724,283
Accounts receivable - grants	51,296
Contributions receivable	<u>17,045</u>
Total financial assets	792,624
Restricted cash	<u>(172,206)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 620,418</u>

(3) **Fair Value of Financial Instruments**

The following methods and assumptions were used to estimate the fair value of financial instruments for which it is feasible to estimate that value.

- Cash, accounts receivable, prepaid expenses and short-term contributions receivable – Carrying amount approximates fair value due to the short maturity of these instruments.
- Long-term contributions receivable – The recorded net present value of long-term contributions receivable approximates fair value, as the discount rate approximates market rates (see note 3)
- Long-term debt – The fair value of the Organizations' long-term debt is not estimated to be significantly different than the carrying amount based upon current rates at which the Organizations could borrow funds for the remaining maturities.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(4) Contributions Receivable

As of September 30, 2019, contributors to the Center from the Good Samaritan Breakfast and other promises to give have unconditionally promised to give the following amounts:

	Less than 1 year	One to Four Years	Total
Gross pledge receivables	\$ 20,645	48,170	68,815
Less: allowance for uncollectible accounts	(3,600)	(8,400)	(12,000)
Discounts to net present value	-	(5,714)	(5,714)
Net contributions receivable	\$ 17,045	34,056	51,101

Unconditional promises to give, receivable in more than one year, are discounted to net present value using an interest rate of 6%.

(5) Donated Inventories

Donated inventories at September 30, 2019 consisted of the following:

Donated food for clients	\$ 20,250
Donated items for client vouchers	118,529
Donated items for the thrift shop	183,283
	\$ 322,062

(6) Property and Equipment

Property and equipment at September 30, 2019 are summarized as follows:

Land	\$ 500,000
Buildings and improvements	2,441,760
Leasehold improvements	210,564
Site improvements	129,933
Equipment	264,077
	3,546,334
Less accumulated depreciation	(1,341,119)
Property and equipment, net	\$ 2,205,215

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(7) Long-Term Debt and Note Payable

At September 30, 2019, long-term debt consists of the following:

A mortgage note collateralized by real property and guaranteed by the Center was refinanced in January, 2020. The terms of the note call for monthly principal and interest payments of \$8,009 at 4.0% through January 15, 2030 when a balloon payment of approximately \$786,000 and unpaid interest is due.	\$ 1,340,240
Less current portion	<u>(54,882)</u>
Long-term debt	<u>\$ 1,285,358</u>

Future maturities of long-term debt are as follows:

Year ending September 30

2020	\$ 54,882
2021	45,511
2022	47,365
2023	49,295
2024	51,304
Thereafter	<u>1,091,883</u>
	<u>\$ 1,340,240</u>

(8) Operating Leases as Lessee

Intercompany Leases

The Center leases its facilities, including the thrift store, from Properties on operating leases that expire in December 2019 and June 2020. Annual rentals were \$193,373. These rentals are eliminated in the combined financial statements.

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(9) Operating Leases as Lessor

Properties leases the units in the shopping plaza to charitable organizations and other business entities on leases expiring on various dates through 2021. The cost of the facilities leased is as follows:

Land	\$ 500,000
Buildings	2,025,155
Building improvements	416,605
Land improvements	129,933
Total	<u>3,071,693</u>
Less accumulated depreciation	<u>(965,821)</u>
Net depreciated cost	<u>\$ 2,105,872</u>

Future rental commitments are as follows:

Year ending September 30

2020	\$ 138,482
2021	45,135

(10) Retirement Plan

In October 2018, the Center adopted a SIMPLE IRA plan. For the year ended September 30, 2019, the Center contributed \$18,106 to the plan.

(11) Non-Cash Contributions

The Center receives donated food, clothing, Christmas gifts, furniture, other household items and automobiles which it redistributes to individuals and families in need and for sale in the thrift store. Items donated are recorded at fair value as determined by Management using factors such as sales and inventory turnover. A standard of \$30 per bag of food and an average bag of clothing of \$100 for adults, \$75 for children and \$50 for general clothing for the homeless is used to value these donations. The food bag value is established by FEMA as a

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Notes to Combined Financial Statements

September 30, 2019

(11) Non-Cash Contributions - Continued

standard, the clothing bags are valued at thrift store prices, and all other items are valued based upon available resources. For the year ended September 30, 2019, \$1,471,560 was contributed in food, \$522,505 in clothing, and \$850,485 in other items for a total value of \$2,844,550 recorded as inventory and revenue, of which, \$2,875,936 were distributed to needy individuals and families and recorded to inventory and expense. The difference between the value of items received and the value of items distributed to needy individuals and families is due to the change in donated client inventories. For the year ended September 30, 2019, the Center received items to be sold in the thrift store with a value of \$1,046,268 recorded as inventory and revenue with actual cash sales of \$1,023,328 recorded to inventory and cash. The difference between the value of thrift store items received and actual cash sales is due to the change in thrift store inventory.

(12) Donor Restricted Net Assets

Donor restricted net assets at September 30, 2019 are restricted for the following:

Time restrictions:	
Pledges for periods after September 30, 2019	\$ 51,101
Grants receivable for periods after September 30, 2019	51,296
Purpose restrictions:	
Various programs	<u>172,206</u>
	<u>\$ 274,603</u>

SUPPLEMENTARY INFORMATION

CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Combining Statement of Financial Position

September 30, 2019

	<u>Assets</u>			
	<u>The Christian Sharing Center, Inc.</u>	<u>Sharing Center Properties, Inc.</u>	<u>Eliminations</u>	<u>Combined Totals</u>
Current Assets:				
Cash and cash equivalents, including restricted cash of \$172,206	\$ 677,904	46,379	-	724,283
Accounts receivable - grants	51,296	-	-	51,296
Prepaid expenses	8,119	3,478	-	11,597
Contributions receivable, net of allowance of \$3,600	17,045	-	-	17,045
Donated inventories	322,062	-	-	322,062
Total current assets	1,076,426	49,857	-	1,126,283
Property and equipment, net	99,343	2,105,872	-	2,205,215
Contributions receivable, net of allowance of \$8,400	34,056	-	-	34,056
Other assets	9,795	1,751	(3,000)	8,546
Total assets	<u>\$ 1,219,620</u>	<u>2,157,480</u>	<u>(3,000)</u>	<u>3,374,100</u>

Liabilities and Net Assets

Current Liabilities:				
Current portion of long-term debt	\$ -	54,882	-	54,882
Accrued payroll and taxes	70,407	-	-	70,407
Accrued expenses - other	12,179	13,140	-	25,319
Security deposits	-	17,700	(3,000)	14,700
Total current liabilities	82,586	85,722	(3,000)	165,308
Long-term debt, net of current portion	-	1,285,358	-	1,285,358
Total liabilities	82,586	1,371,080	(3,000)	1,450,666
Net assets:				
Without donor restrictions	862,431	786,400	-	1,648,831
With donor restrictions	274,603	-	-	274,603
Total net assets	1,137,034	786,400	-	1,923,434
Total liabilities and net assets	<u>\$ 1,219,620</u>	<u>2,157,480</u>	<u>(3,000)</u>	<u>3,374,100</u>

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Combining Statement of Activities

Year ended September 30, 2019

	The Christian Sharing Center, Inc.	Sharing Center Properties, Inc.	Eliminations	Combined Totals
Public support:				
Contributions	\$ 1,011,371	-	-	1,011,371
Grants	316,000	-	-	316,000
Value of non-cash contributions for clients	2,844,550	-	-	2,844,550
Thrift Store revenue from non-cash contributions	1,046,268	-	-	1,046,268
Total public support	<u>5,218,189</u>	<u>-</u>	<u>-</u>	<u>5,218,189</u>
Revenue:				
Special events, net of direct benefit to donor costs of \$12,756	136,555	-	-	136,555
Rental income	-	328,856	(193,373)	135,483
Interest income	3,243	72	-	3,315
Management fees	79,855	-	(79,855)	-
Other income	-	4,389	-	4,389
Total revenue	<u>219,653</u>	<u>333,317</u>	<u>(273,228)</u>	<u>279,742</u>
Total public support and revenue	<u>5,437,842</u>	<u>333,317</u>	<u>(273,228)</u>	<u>5,497,931</u>
Expenses:				
Program services (including the value of non-cash contributions distributed to clients of \$2,875,936)				
Client services	4,121,336	107,589	(106,402)	4,122,523
Thrift store	510,818	118,057	(116,581)	512,294
Supporting services:				
General and administrative	255,927	27,021	(24,996)	257,952
Fundraising	247,387	25,245	(25,249)	247,383
Total expenses	<u>5,135,468</u>	<u>277,912</u>	<u>(273,228)</u>	<u>5,140,152</u>
Change in net assets	302,374	55,405	-	357,779
Net assets, beginning of year	<u>834,660</u>	<u>730,995</u>	<u>-</u>	<u>1,565,655</u>
Net assets, end of year	<u>\$ 1,137,034</u>	<u>786,400</u>	<u>-</u>	<u>1,923,434</u>

THE CHRISTIAN SHARING CENTER, INC.
AND SHARING CENTER PROPERTIES, INC.

Combining Statement of Functional Expenses

Year ended September 30, 2019

	The Christian Sharing Center, Inc.				Sharing Center Properties, Inc.				Combined				
	Program Services		Supporting Services		The Christian Sharing Center, Inc.		Total Occupancy Costs - Rental Operations		Program Services		Supporting Services		Total
	Client Services	Thrift Store	Administrative	Fund-raising	Total Expenses	Sharing	Outside Entities	Eliminations	Client Services	Thrift Store	Administrative	Fund-raising	Total Expenses
Salaries and wages	\$ 610,855	287,461	177,457	177,457	1,253,230	-	-	-	610,855	287,461	177,457	177,457	1,253,230
Payroll taxes	57,562	27,088	16,723	16,723	118,096	-	-	-	57,562	27,088	16,723	16,723	118,096
Employee benefits	25,125	11,824	7,299	7,299	51,547	-	-	-	25,125	11,824	7,299	7,299	51,547
Retirement plan	920	433	267	267	1,887	-	-	-	920	433	267	267	1,887
Total salaries and related expenses	694,462	326,806	201,746	201,746	1,424,760	-	-	-	694,462	326,806	201,746	201,746	1,424,760
Vehicle expenses	4,162	5,885	2,871	1,435	14,353	-	-	-	4,162	5,885	2,871	1,435	14,353
Bank service charges	10,618	10,618	-	-	21,236	-	-	-	10,618	10,618	-	-	21,236
Dues and subscriptions	132	-	1,184	-	1,316	-	-	-	132	-	1,184	-	1,316
Equipment costs	6,004	-	2,001	-	8,005	-	-	-	6,004	-	2,001	-	8,005
Insurance	8,284	11,607	3,320	2,437	25,648	8,439	6,494	-	13,107	18,365	5,253	-	40,581
Marketing, advertising and fundraising costs	2,519	-	123	4,581	7,223	-	-	-	2,519	-	123	4,581	7,223
Meetings and seminars	711	335	206	206	1,458	-	-	-	711	335	206	206	1,458
Office supplies	13,438	14,167	5,454	5,454	38,513	-	-	-	13,438	14,167	5,454	5,454	38,513
Printing	2,520	1,186	732	732	5,170	-	-	-	2,520	1,186	732	732	5,170
Postage and delivery	677	-	431	123	1,231	-	-	-	677	-	431	123	1,231
Professional fees	4,655	-	1,995	-	6,650	2,854	2,196	-	8,190	-	3,510	-	11,700
Value of non-cash contributions distributed to clients	2,875,936	-	-	-	2,875,936	-	-	-	2,875,936	-	-	-	2,875,936
Client assistance	351,108	-	-	-	351,108	-	-	-	351,108	-	-	-	351,108
Rent	76,208	81,451	17,857	17,857	193,373	-	-	(193,373)	-	-	-	-	-
Building maintenance and repairs	11,345	12,512	2,701	2,701	29,259	15,362	11,821	-	21,885	24,137	5,210	5,210	56,442
Information technology	15,572	-	5,191	-	20,763	-	-	-	15,572	-	5,191	-	20,763
Telephone	3,284	2,453	650	650	7,037	-	-	-	3,284	2,453	650	650	7,037
Utilities	21,911	24,170	5,219	5,219	56,519	4,371	3,365	-	24,910	27,479	5,933	5,933	64,255
Miscellaneous expense	5,798	6,402	1,389	1,389	14,978	326	251	-	6,021	6,648	1,443	1,443	15,555
Interest expense	-	-	-	-	-	36,253	27,898	-	24,870	27,453	5,914	-	64,151
Management fees	-	-	-	-	-	45,128	34,727	(79,855)	-	-	-	-	-
Taxes and licenses	-	-	-	-	-	528	406	-	362	400	86	-	934
Total functional expenses before depreciation	4,109,344	497,592	253,070	244,550	5,104,536	113,261	87,158	(273,228)	4,080,488	465,932	247,938	237,369	5,031,727
Depreciation	11,992	13,226	2,857	2,857	30,932	43,793	33,700	-	42,035	46,362	10,014	10,014	108,425
Total expenses	\$ 4,121,336	510,818	255,927	247,387	5,135,468	157,054	120,858	(273,228)	4,122,523	512,294	257,952	247,383	5,140,152