

**CHRISTIAN SERVICE CENTER
FOR CENTRAL FLORIDA, INC.**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT**

December 31, 2023 and 2022



Greene, Dycus & Co, PA

Certified Public Accountants

407-322-0561

www.gdccpa.net

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Christian Service Center for Central Florida, Inc.
Orlando, Florida

Opinion

We have audited the accompanying financial statements of Christian Service Center for Central Florida, Inc., (the "Center"), a nonprofit corporation, which comprise the statements of financial position as of December 31, 2023 and 2022 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christian Service Center for Central Florida, Inc., 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Christian Service Center for Central Florida, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Christian Service Center for Central Florida, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Robert Kimelman, CPA
Thomas J. Frank, CPA
Vanessa R. Talley, CPA

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Christian Service Center for Central Florida, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Christian Service Center for Central Florida, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Greene Dupuis & Co.

Professional Association
Certified Public Accountants
Sanford, Florida
March 7, 2024

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31,

ASSETS

	2023	2022
Current Assets		
Cash and cash equivalents		
Unrestricted	\$ 297,465	\$ 699,904
Restricted	112,291	128,411
	409,756	828,315
Contributions receivable	265,261	204,037
Governmental grant receivables	321,559	63,080
Prepaid expenses	-	3,400
	996,576	1,098,832
Property and equipment - net	1,620,859	1,418,984
Noncurrent Assets:		
Beneficial interest	45,230	41,360
Other	-	355
	45,230	41,715
Total Assets	\$ 2,662,665	\$ 2,559,531

The accompanying notes are an integral part of these financial statements.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31,

LIABILITIES AND NET ASSETS

	<u>2023</u>	<u>2022</u>
Current Liabilities		
Accounts payable	\$ 55,720	\$ 38,102
Accrued expenses	21,148	39,408
Current portion mortgage note payable	<u>17,781</u>	<u>17,011</u>
Total Current Liabilities	<u>94,649</u>	<u>94,521</u>
Long-term debt, mortgage note payable	<u>160,656</u>	<u>178,437</u>
Total Liabilities	255,305	272,958
Net Assets		
Without donor restrictions	2,295,069	2,158,162
With donor restrictions	<u>112,291</u>	<u>128,411</u>
Total Net Assets	<u>2,407,360</u>	<u>2,286,573</u>
Total Liabilities and Net Assets	<u>\$ 2,662,665</u>	<u>\$ 2,559,531</u>

The accompanying notes are an integral part of these financial statements.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENT OF ACTIVITIES AND
CHANGES IN NET ASSETS
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	\$ 211,610	\$ 232,068	\$ 443,678
Governmental grants	1,214,107	-	1,214,107
Special events, less costs of \$27,505	100,991	-	100,991
Contributions, foundations and trusts	1,117,522	-	1,117,522
Parking use and tenancy revenue	14,096	-	14,096
Thrift shops	63,903	-	63,903
Other income	919	-	919
Estimated in-kind contributions	534,037	-	534,037
Net assets released from restrictions	248,188	(248,188)	-
Total Revenue and Support	<u>3,505,373</u>	<u>(16,120)</u>	<u>3,489,253</u>
Expenses			
Program Services	<u>2,794,458</u>	<u>-</u>	<u>2,794,458</u>
Total Program Services	<u>2,794,458</u>	<u>-</u>	<u>2,794,458</u>
Support Services:			
Fund raising and development	366,912	-	366,912
Management and general	207,096	-	207,096
Total Support Services	<u>574,008</u>	<u>-</u>	<u>574,008</u>
Total Expenses	<u>3,368,466</u>	<u>-</u>	<u>3,368,466</u>
Change in Net Assets	136,907	(16,120)	120,787
Net Assets, Beginning of Year	<u>2,158,162</u>	<u>128,411</u>	<u>2,286,573</u>
Net Assets, End of Year	<u>\$ 2,295,069</u>	<u>\$ 112,291</u>	<u>\$ 2,407,360</u>

The accompanying notes are an integral part of these financial statements.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENT OF ACTIVITIES AND
CHANGES IN NET ASSETS
For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	\$ 280,797	\$ 176,659	\$ 457,456
Governmental grants	525,217	-	525,217
Special events, less costs of \$27,505	73,873	-	73,873
Contributions, foundations and trusts	1,153,483	-	1,153,483
Parking use and tenancy revenue	25,381	-	25,381
Thrift shops	60,147	-	60,147
Other income	337	-	337
Estimated in-kind contributions	483,502	-	483,502
Net assets released from restrictions	<u>252,063</u>	<u>(252,063)</u>	<u>-</u>
Total Revenue and Support	<u>2,854,800</u>	<u>(75,404)</u>	<u>2,779,396</u>
Expenses			
Program Services	<u>2,163,444</u>	<u>-</u>	<u>2,163,444</u>
Total Program Services	<u>2,163,444</u>	<u>-</u>	<u>2,163,444</u>
Support Services:			
Fund raising and development	309,597	-	309,597
Management and general	<u>188,267</u>	<u>-</u>	<u>188,267</u>
Total Support Services	<u>497,864</u>	<u>-</u>	<u>497,864</u>
Total Expenses	<u>2,661,308</u>	<u>-</u>	<u>2,661,308</u>
Change in Net Assets	193,492	(75,404)	118,088
Net Assets, Beginning of Year	<u>1,964,670</u>	<u>203,815</u>	<u>2,168,485</u>
Net Assets, End of Year	<u>\$ 2,158,162</u>	<u>\$ 128,411</u>	<u>\$ 2,286,573</u>

The accompanying notes are an integral part of these financial statements.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2023

	Program											Supporting		
	Orlando Housing Program	Winter Park Housing Program	W. Orange Housing Program	Total Housing Program	W. Orange Food Program	Orlando Food Program	Total Food Program	Love Pantry	Tenancy	Thrift Shop Boutique	Total Program Services	Develop-ment	Admin	Total
Personnel costs	\$ 339,562	\$ 89,266	\$ 132,739	\$ 561,567	\$ 98,873	\$ 158,247	\$ 257,120	\$ 29,916	\$ 23,134	\$ 72,908	944,645	\$ 239,832	\$ 122,860	\$ 1,307,337
Direct assistance	427,874	-	126,834	554,708	-	10,878	10,878	8,969	-	-	574,555	-	-	574,555
Program supplies	22,076	687	634	23,397	205	-	205	-	-	-	23,602	-	3,059	26,661
Estimated:														
In-kind meals	-	-	-	34,802	-	-	295,426	-	-	-	330,228	-	-	330,228
In-kind Other	-	-	-	174,746	-	-	-	29,063	-	-	203,809	-	-	203,809
Utilities	18,442	5,150	10,753	34,345	14,151	26,995	41,146	1,504	13,297	13,297	103,589	3,324	2,324	109,237
Telephone	6,775	2,123	2,326	11,224	1,523	1,203	2,726	533	374	1,204	16,061	3,055	1,731	20,847
Maintenance:														
Building	13,006	287	3,765	17,058	5,506	9,990	15,496	-	1,990	632	35,176	589	-	35,765
Equipment	28,137	-	1,852	29,989	1,742	12,056	13,798	565	1,454	886	46,692	879	2,966	50,537
Insurance	7,959	4,025	7,959	19,943	7,959	7,959	15,918	3,588	7,499	7,959	54,907	7,959	11,676	74,542
Office expense	4,997	2,657	4,796	12,450	73	-	73	-	89	827	13,439	68,529	2,207	84,175
IT Consulting	16,735	2,936	4,166	23,837	910	1,697	2,607	1,053	165	310	27,972	5,967	2,002	35,941
Travel & veh. costs	6,012	-	706	6,718	6,686	10,757	17,443	243	-	-	24,404	140	-	24,544
Professional fees	3,410	441	720	4,571	484	647	1,131	236	-	688	6,626	3,302	43,234	53,162
Contract legal services	151,757	-	-	151,757	-	-	-	-	-	-	151,757	-	-	151,757
Interest	2,224	585	870	3,679	648	1,037	1,685	196	152	478	6,190	1,571	806	8,567
Food packaging	-	-	-	-	10,501	30,721	41,222	-	-	-	41,222	-	-	41,222
Other	33,036	312	600	33,948	402	29,514	29,916	1,049	28,567	28,048	121,528	14,487	5,380	141,395
Depreciation	24,463	6,431	9,563	40,457	7,123	11,401	18,524	2,155	1,667	5,253	68,056	17,278	8,851	94,185
	<u>\$ 1,106,465</u>	<u>\$ 114,900</u>	<u>\$ 308,283</u>	<u>\$ 1,739,196</u>	<u>\$ 156,786</u>	<u>\$ 313,102</u>	<u>\$ 765,314</u>	<u>\$ 79,070</u>	<u>\$ 78,388</u>	<u>\$ 132,490</u>	<u>\$ 2,794,458</u>	<u>\$ 366,912</u>	<u>\$ 207,096</u>	<u>\$ 3,368,466</u>

The accompanying notes are an integral part of these financial statements.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2022

	Program											Supporting		
	Orlando Housing Program	Winter Park Housing Program	W. Orange Housing Program	Total Housing Program	W. Orange Food Program	Orlando Food Program	Total Food Program	Love Pantry	Tenancy	Thrft Shop Boutique	Total Program Services	Develop-ment	Admin	Total
Personnel costs	\$ 314,135	\$ 77,791	\$ 121,343	\$ 513,269	\$ 93,912	\$ 131,833	\$ 225,745	\$ 46,026	\$ 22,678	\$ 104,487	\$ 912,205	\$ 205,120	\$ 116,651	\$ 1,233,976
Direct assistance	71,976	575	13,453	86,004	-	20,432	20,432	47,972	-	-	154,408	-	-	154,408
Program supplies	13,820	1,415	1,164	16,399	4,957	495	5,452	-	-	-	21,851	-	2,462	24,313
Estimated:														
In-kind meals	-	-	-	21,068	-	-	290,059	-	-	-	311,127	-	-	311,127
In-kind Other	-	-	-	148,075	-	-	-	24,300	-	-	172,375	-	-	172,375
Utilities	13,585	3,500	9,782	26,867	11,838	24,140	35,978	2,717	10,429	10,868	86,859	2,717	3,550	93,126
Telephone	5,639	1,867	1,866	9,372	2,102	1,661	3,763	768	99	949	14,951	2,386	1,548	18,885
Maintenance:														
Building	19,602	339	8,542	28,483	6,821	21,535	28,356	-	2,615	3,944	63,398	1,588	201	65,187
Equipment	7,248	-	2,622	9,870	4,728	5,920	10,648	721	1,537	721	23,497	721	3,019	27,237
Insurance	5,420	2,100	5,410	12,930	5,410	5,410	10,820	4,860	4,860	5,510	38,980	4,860	6,044	49,884
Office expense	9,834	1,696	4,097	15,627	29	1,227	1,256	2,323	283	2,374	21,863	56,363	4,555	82,781
IT Consulting	31,818	1,910	4,073	37,801	1,573	2,580	4,153	2,603	-	399	44,956	4,581	3,444	52,981
Travel & veh. costs	6,868	-	1,031	7,899	10,291	11,362	21,653	376	-	-	29,928	108	2,199	32,235
Professional fees	1,916	427	1,618	3,961	679	688	1,367	449	350	695	6,822	8,870	31,632	47,324
Contract legal services	79,021	-	-	79,021	-	-	-	-	-	-	79,021	-	-	79,021
Interest	2,287	566	883	3,736	684	960	1,644	335	165	761	6,641	1,493	849	8,983
Food packaging	-	-	-	-	11,343	35,326	46,669	-	-	-	46,669	-	-	46,669
Other	21,283	116	1,191	22,590	560	24,122	24,682	5,141	19,822	943	73,178	8,487	5,115	86,780
Depreciation	18,842	4,666	7,278	30,786	5,633	7,908	13,541	2,761	1,360	6,267	54,715	12,303	6,998	74,016
	<u>\$ 623,294</u>	<u>\$ 96,968</u>	<u>\$ 184,353</u>	<u>\$ 1,073,758</u>	<u>\$ 160,560</u>	<u>\$ 295,599</u>	<u>\$ 746,218</u>	<u>\$ 141,352</u>	<u>\$ 64,198</u>	<u>\$ 137,918</u>	<u>\$ 2,163,444</u>	<u>\$ 309,597</u>	<u>\$ 188,267</u>	<u>\$ 2,661,308</u>

The accompanying notes are an integral part of these financial statements.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENTS OF CASH FLOWS
December 31,

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities:		
Cash received from operating contributions, grants, and awards	\$ 2,553,999	\$ 2,122,535
Cash received from sales - thrift shop	63,903	60,147
Cash received from parking use and tenancy	14,096	25,381
Interest paid	(8,567)	(8,983)
Cash paid to employees for salaries and benefits	(1,307,337)	(1,233,976)
Cash paid to vendors and suppliers	(1,421,582)	(830,852)
	<u>(105,488)</u>	<u>134,252</u>
Net cash (used) provided by operating activities		
Cash flows from investing activities:		
Construction and acquisition of capital items	(296,060)	(261,101)
	<u>(296,060)</u>	<u>(261,101)</u>
Net cash used by investing activities		
Cash flows from financing activities:		
Mortgage note payments	(17,011)	(12,446)
	<u>(17,011)</u>	<u>(12,446)</u>
Net cash used by financing activities		
Net decrease in cash and cash equivalents	(418,559)	(139,295)
Cash and cash equivalents, beginning of year	<u>828,315</u>	<u>967,610</u>
Cash and cash equivalents, end of year	<u>\$ 409,756</u>	<u>\$ 828,315</u>
Reconciliation of net income to net cash provided by operating activities:		
Change in net assets	120,787	118,088
Adjustments to reconcile change in net assets to net cash from operating activities:		
In kind property contribution	-	(5,000)
Depreciation	94,185	74,016
Increase or decrease in operating assets and liabilities:		
Market value of beneficial interest	(3,515)	5,967
Grants, contributions and bequests receivables	(319,703)	(93,798)
Prepaid expenses	3,400	-
Accounts payable and accrued expenses	(642)	34,979
	<u>(105,488)</u>	<u>134,252</u>
Net cash (used) provided by operating activities	<u>\$ (105,488)</u>	<u>\$ 134,252</u>

The accompanying notes are an integral part of these financial statements.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Christian Service Center for Central Florida, Inc. (the “Center”) was incorporated in 1971 as a nonprofit inter-denominational arm of area churches bringing together congregations and individuals offering services for those in need. The Center depends on contributions from individuals, businesses, churches and other local organizations.

Family & Emergency Services (F.E.S.) – Program provides immediate short-term crisis assistance to families and individuals facing an unexpected financial crisis. Emergency assistance may include access to rent and utilities assistance, food, and other services to prevent homelessness. This program also provides clothing and necessary household items to those in need through thrift shop operations.

Daily Bread – Provision of free hot and nourishing meals to the homeless and hungry. Meals are donated to the program and local groups donate their services.

Love Pantry – Provides hungry children and their struggling families with a free emergency food supply directly through participating local public schools. Schools are provided with a cabinet stocked and restocked by volunteers with multiples of common food and hygiene items and community resource information.

Thrift Shops – Members of the community donate used clothing and other household items to the Center. The Center operates several resale shops in Orlando and West Orange locations. The clothing items donated to the Center are either sold or distributed to members of the community who are in need.

Tenancy – The Center rents portions of its Orlando campus to other non-profits that service the same clientele. Some of these other nonprofits are charged a fee and others provide complementary services and their rent is provided in kind.

Homeless Elimination Program – Program includes support for homeless individuals in the community to become housed, via rapid rehousing, permanent supportive housing, or diversion programs. This program operates on a Housing First model, with a goal of reaching functional zero with homelessness in the community.

Comprehensive Day Services Campus – Program includes the management of on-site partner agencies providing services to the homeless community, including showers, laundry, haircuts, a dinner meal service, respite, and employment. This robust system of service organizations is dedicated to serving the least fortunate in the community.

Financial Statement Presentation

The financial statements are presented in accordance with Financial Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities*.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – Continued

The Center reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions result from revenues generated by receiving contributions that have no donor restrictions, providing program-related services, raising contributions, and performing administrative functions.

Net assets with donor restrictions result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends, or the purpose of the restriction is accomplished, the net assets are restricted.

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with the accounting and reporting practices promulgated by the American Institute of Certified Public Accountants (AICPA) for not-for-profit organizations.

New accounting pronouncements – Adopted

In accordance with ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, grants and contracts awarded by federal and other grantors, which are generally considered nonreciprocal transactions restricted for certain purposes, are recognized as revenue when qualifying expenditures are incurred and conditions under the agreements are met.

In September 2020, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The objective of this ASU is to increase transparency of contributed nonfinancial assets for not-for-profit (“NFP”) entities through enhancements to presentation and disclosure. The amendments in this ASU apply to NFPs that receive contributed nonfinancial assets. Contribution revenue may be presented in the financial statements using different terms (for example, gifts, donations, grants, gifts-in-kind, donated services, or other terms). The term nonfinancial asset includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The amendment in this ASU improves financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets for NFPs, including additional disclosure requirements for recognized contributed services. The amendments did not change the recognition and measurement requirements. The adoption of ASU No. 2020-07 effective July 1, 2022, applied on a retrospective basis, did not have a material effect on the Center’s financial statements.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES –
Continued**

Revenue and Revenue Recognition

The Center recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Currently, there are no conditional promises to give.

All revenues and support are recorded in accordance with either ASC 958, Not-for-Profit Entities as contributions with or without donor restrictions or in accordance with ASC 606, Revenue from Contracts with Customers, where revenue is recognized when: (i) a contract with a customer has been identified, (ii) the performance obligation(s) in the contract have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to each performance obligation in the contract, and (v) the Organization has satisfied the applicable performance obligation over time or at a point in time.

Program Revenue and Support – Contributions received are recorded as with or without donor restrictions. Support that is restricted by the donor is reported as an increase in without donor restriction if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed Nonfinancial Assets

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The value of contributed food and meals provided to charitable beneficiaries, as well as clothing, provided through Family Emergency Services and Daily Bread Programs are recognized in the financial statements at their estimated fair value.

Family & Emergency Services programs distribute food and clothing and provides rent and utility assistance. Daily Bread provides prepared meals from food that is donated. Volunteers staff the daily food services in the Daily Bread programs.

Occasionally the Center will receive donated pre-owned property and equipment. These donations, if any, have been recorded by the Center as revenue and property and equipment. For the years ended December 31, 2023 and 2022, no such property and equipment was received as a donation. However, for the year ended December 31, 2021, one of the Center's tenants provided a leasehold improvement, which included modernizing the office and upgrading the restroom facilities to be compliant with the Americans with Disabilities Act. The amount of these improvements is recognized in the financial statements at their estimated value.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES –
Continued**

Cash

Cash for purposes of the statements of financial position and cash flows includes money market cash funds, if any

Property and Equipment

Property and equipment in excess of \$1,500 is recorded at cost when purchased and at fair market value on the date of donation when donated. Depreciation is recognized using the straight-line method over estimated useful lives as follows:

<u>Asset</u>	<u>Life</u>
Building	30-40 years
Equipment and Furnishing	5-10 years
Vehicles	3-20 years

Impairment

The Center periodically reviews its long-lived assets to be held and used in operations for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment loss is recognized when the estimated undiscounted future cash flows from the assets are less than the carrying value of the assets.

Grants Receivable

Grants receivables consist of balances due for contractual services provided under contracts typically entered into with federal, state and local governments, but not paid as of the end of the accounting period. Management considers these balances to be fully collectible as such an allowance for uncollectible accounts related to these receivables is not necessary.

Accounts Receivable

Accounts receivables consist of balances due for services rendered, to both governmental and non-governmental agencies and individuals, but not collected as of the end of the accounting period. Management invoices for these services at the end of the service month. Based upon an analysis of both history and past due receivables, it is management's opinion that a \$0 allowance for uncollectible accounts is necessary.

Inventory

Inventories consist of workshop supplies and are stated at the lower of cost (first-in/first-out basis) or market.

Advertising

Advertising costs are expensed as incurred. During the years ending December 31, 2023 and 2022 advertising charged to operations amounted to approximately \$4,000 and \$1,000, respectively.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES –
Continued**

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, personnel costs, based on estimates of time incurred for various activities, and occupancy, based on square footage used for each program activity, have been allocated among the programs, fund raising, and management and general categories. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation and occupancy, which are allocated on methods such as square footage basis.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Income Taxes

The Center has been granted an exemption from income taxes under Internal Revenue Code, Section 501(c)(3), as a non-profit corporation.

The Center adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (FASB ASC 740 – 10). Under this Interpretation, The Center is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the retrospective position. A tax position includes an entity's status, including its status as a 501(c)(3), and the decision not to file a tax return. The Center has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

Fair Value of Financial Instruments

Accounting standards define fair value, establish a framework for measuring fair value, establish a fair value hierarchy based on the quality of inputs used to measure fair value, and require expanded disclosures about fair value measurements.

Accounting standards establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs when available. Observable inputs are those that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Each level is defined as follows:

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – Continued

Fair Value of Financial Instruments – continued

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the foundation has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximate their fair values due to the short-term nature of these instruments. These financial instruments include receivables, accounts payable and other liabilities. The fair value of the lines of credit are estimated based on current rates that would be available for debt of similar terms which is not significantly different for its stated value.

Method of Presentation

Certain accounts and amounts in the 2022 financial statements have been reclassified in order to conform to the 2023 presentation.

Subsequent Events

Subsequent events have been evaluated through March 7, 2024, which is the date the financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following:

	<u>2023</u>	<u>2022</u>
Land and improvements	\$ 442,244	\$ 442,248
Construction in progress	275,100	261,101
Buildings	2,713,567	2,534,234
Equipment and furnishing	155,067	144,271
Vehicles	105,065	12,130
	<u>3,691,043</u>	<u>3,393,984</u>
Less accumulated depreciation	<u>2,070,184</u>	<u>1,975,000</u>
	<u>\$ 1,620,859</u>	<u>\$ 1,418,984</u>

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 2 – PROPERTY AND EQUIPMENT – continued

Construction in progress of \$275,100 is composed of improvements (fencing, and design work towards renovation project) made to buildings not yet completed as of December 31, 2023.

Depreciation expense for the years ended December 31, 2023 and 2022 were approximately \$94,185 and \$74,000, respectively.

NOTE 3 – BENEFICIAL INTEREST

In an earlier year, the Center transferred funds to Central Florida Foundation, Inc. (CFF). The transfer is irrevocable, however, CFF may make annual distributions of the income earned on the fund to the Center, subject to the foundation's spending policy. The Center is the beneficiary of the fund and has not granted variance power to CFF.

CFF manages and maintains the Center's investment as a component fund of CFF and reports fair value primarily based on quoted market prices. As the beneficiary, Christian Service Center for Central Florida, Inc. cannot determine the value reported by CFF, which is a Level 3 unobservable input.

The beneficial interest, as valued by CFF, is \$45,230 and \$41,360 on December 31, 2023, and 2022, respectively.

NOTE 4 – LINE OF CREDIT

The Center established a line of credit with a bank in the maximum amount of \$100,000, terminating in August 2024. The line of credit bears interest at prime rate plus one percent with a minimum of 5.25 percent. The line of credit is cross collateralized with the property described in Note 5 and by substantially all equipment and other assets. The outstanding balance on this line of credit was \$0 and \$0 December 31, 2023 and 2022, respectively.

NOTE 5 – MORTGAGE NOTE PAYABLE

In 2022, a mortgage note balance was refinanced by a mortgage in the amount of \$204,991. The mortgage note is due on demand and matures May 2027, with a balloon payment. The mortgage note bears interest at 4.5 percent and is secured by property (and any related rents) at 808 W. Central Boulevard in Orlando, Florida. The monthly note payment is \$2,131, including interest.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 – MORTGAGE NOTE PAYABLE – continued

The maturities for the loan are as follows:

Years Ending December 31,	
2024	\$ 17,781
2025	18,632
2026	19,500
2027	122,525
	\$ 195,448

Interest expense for the years ended December 31, 2023 and 2022 were \$8,567 and \$8,983, respectively.

In addition, the Center has several business credit cards issued by a local bank with a \$50,000 line of credit. The credit cards have outstanding balances of approximately \$42,000 and \$18,000 at December 31, 2023 and 2022, respectively. The line is unsecured and requires monthly minimum payments and has a 13.9% interest rate.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Restrictions on net assets at December 31, are as follow:

	2023	2022
Program use restrictions:		
Daily Bread	\$ 1,000	\$ 2,550
Family Emergency Services, including Love Orlando, Operation Home Fires, and Life Center	42,491	90,861
Walk-in freezer for West Orange Center	45,300	-
Computer lab	8,500	-
Porta potties	11,352	35,000
Renovations	3,648	-
	\$ 112,291	\$ 128,411

The donor restricted net assets are reflected in cash and cash equivalents as assets whose use is limited in the statements of financial positions at December 31, 2023 and 2022.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 7 – CONTRIBUTED NONFINANCIAL ASSETS

The Center received contributed nonfinancial assets comprised of services received during years ended December 31, 2023 and 2022 as follows:

Nonfinancial Contributions Category	Utilization	Valuation	2023	2022
Aproximate number of meals (all program)			<u>135,000</u>	<u>141,000</u>
Meals	Program services	Estimated cost value	\$330,228	\$311,127
		Donor provided fair		
Clothing and personal articles	Program services	market value	<u>203,809</u>	<u>172,375</u>
			<u>\$534,037</u>	<u>\$483,502</u>

In 2023, there were approximately 29,900 volunteer hours performed for the benefit of the Center.

NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Center manages its liquid resources by focusing on maximizing its revenues where possible so that it has adequate revenue to cover the programs being conducted. The center prepares detailed budgets and is very active in managing its expenses and cash flows to maximize liquidity. As discussed in note four, the agency maintains a line of credit to assist in meeting cash needs if they experience a lag between the receipt of contributions and grants and the payment.

The following reflects the Center’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions and board designations within one year of the balance sheet date.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS – continued

	2023	2022
Financial assets at year end:		
Cash and cash equivalents	\$ 409,756	\$ 828,315
Contributions and other receivables	265,261	204,037
Governmental grant receivables	321,559	63,080
Total financial assets at year end	996,576	1,095,432
Less those unavailable for general expenditures within one year, due to:		
Donor restricted for various programs	112,291	128,411
Designated for Center improvement/replacement	26,605	317,299
Designated for operating cash flow	280,518	259,815
Accounts payable and other current liabilities	76,868	77,510
Mortgage payable - short term portion	17,781	17,011
Total financial unavailable for use	514,063	800,046
Financial assets available to meet cash needs for general expenditure within one year	\$ 482,513	\$ 295,386

NOTE 9 – CONTINGENCIES

In the normal course of operations, the Center participates in various grant programs. The grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. An additional liability for reimbursement which may arise as a result of these potential audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

In the ordinary course of business, the Center may have various outstanding commitments and contingencies. Management has represented that there are no legal issues or proceedings pending or threatened at the current time which may materially affect the financial condition of the Center.

NOTE 10 – CONCENTRATION RISK

The Center's support is received primarily from foundations, businesses, churches and individuals located in the Central Florida area. As a result, the level of continued contributions may be affected by the economy of this region. In the event these entities discontinue and/or modify funding these programs, the Center would have a difficult time achieving current program goals.

The Center maintains cash in demand deposit accounts with two (2) federally insured banks. At times, the balances in these accounts may be in excess of federally insured limits. Balances on deposits in excess of \$250,000 are not subject to federal insurance. On December 31, 2023, total cash and cash equivalents on deposit in excess of the FDIC limit was approximately \$40,000.