

COMMUNITY HELP IN PARK SLOPE, INC.

REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2019

COMMUNITY HELP IN PARK SLOPE INC
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DECEMBER 31, 2019

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INDEPENDENT PUBLIC ACCOUNTANT'S AUDIT REPORT

I have audited the balance sheet of Community Help In Park Slope, Inc. as of December 31, 2019, and the related statements of support, revenue and expenses changes in fund balances statement of functional expenses and statement of cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Help In Park Slope, Inc. as of December 31, 2019 and, the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



New York, New York
May 26, 2020

COMMUNITY HELP IN PARK SLOPE, INC.

BALANCE SHEET

DECEMBER 31, 2019

ASSETS

CURRENT ASSETS

Cash (Note 5)	\$ 318,658
Equities (Note 7)	10,904
Accounts Receivable (Note 6)	56,770
Employee Advance Receivable	355
Prepaid Expenses	<u>7,025</u>
TOTAL CURRENT ASSETS	<u>393,712</u>

FIXED ASSETS - (NOTE 3)

Land	20,500
Building and Improvements	1,438,822
Kitchen, Furniture & Fixtures	195,207
Computer & System Hardware	<u>15,091</u>
Total Fixed Assets	1,669,620
Less: Accumulated Depreciation	<u>(970,552)</u>

FIXED ASSETS - NET 699,068

TOTAL ASSETS \$ 1,092,780

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable & Accrued Liabilities	\$ 13,290
Installment Loan Payable	5,000
Security Deposit	1,328
Payroll Taxes Liabilities	<u>552</u>
TOTAL LIABILITIES	<u>20,170</u>

FUND BALANCE

Unrestricted Fund Balance	<u>1,072,610</u>
TOTAL FUND BALANCE	<u>1,072,610</u>

TOTAL LIABILITIES AND FUND BALANCE \$ 1,092,780

COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENT OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

PUBLIC SUPPORT AND REVENUES

Individual Contributions	\$ 307,797
Church, School & Religious Contributions	72,018
Business & Matching Contributions	96,019
Foundation and Other Grants	207,448
In-Kind Contributions	358,058
Shelter Fees	9,843
Interest & Dividend Income	2,639
Unrealized Holding Loss (Note 7)	23
Realized Holding Loss	<u>21</u>

TOTAL SUPPORT AND REVENUE	<u>1,050,877</u>
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EXPENSES

Program Services	853,937
Support Services	<u>138,736</u>

TOTAL EXPENSES	<u>992,673</u>
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EXCESS OF SUPPORT & REVENUE OVER EXPENSES	<u>58,204</u>
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Fund Balance - Beginning of year	<u>1,014,406</u>
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FUND BALANCE - END OF YEAR	<u>\$1,072,610</u>
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COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

UNRESTRICTED FUNDS

Balance - Beginning of year	\$ 1,014,406
Excess of Support and Revenue over Expenses	<u>58,204</u>
Balance - End of Year	<u>\$ 1,072,610</u>

COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENT OF CHANGES IN CASH FLOWS
DECEMBER 31, 2019

Cash Provided by Operating Activities:

Excess of Support and Revenue over Expenses	\$ 58,204
Adjustments to reconcile expenses over support & revenue to net cash provided by Operating Activities:	

Depreciation	46,562
Donations – In Kind Public Support	(358,058)
Donated – In Kind Food & Goods	320,089
Unrealized Holding Loss	24
Increase in Grants Receivable	(33,002)
Decrease in Pledges Receivable	18,000
Decrease in Other Receivables	532
Decrease in Employee Advance Receivable	704
Increase in Prepaid Expenses	(6,422)
Increase in Security Deposit	1,113
Increase in Installment Payable	5,000
Decrease in Accounts Payable	4,752
Increase in Accrued Liabilities	6,750
Decrease in Payroll Taxes Payable	<u>(1,353)</u>

Net cash provided by Operating Activities	<u>62,895</u>
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Cash used by Investing Activities:

Increase in Fixed Assets	(14,498)
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Net cash used by Investing Activities	<u>(14,498)</u>
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Increase in Cash	48,397
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Balance - January 1, 2019	<u>270,261</u>
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Balance - December 31, 2019	<u>\$318,658</u>
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COMMUNITY HELP IN PARK SLOPE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2019

PROGRAM SERVICES

Food, Kitchen, Supplies	\$ 321,292
Salaries	251,835
Travel & Meetings	3,851
Local Transportation	6,338
Utilities	30,082
Depreciation	41,040
Telephone & Internet	10,167
Insurance & Worker's compensation	58,047
Payroll taxes	19,575
Repairs & Maintenance	23,467
Office and Other supplies	5,632
Postage & Shipping	149
Fundraising costs	36,411
Taxes/Fines	13
Bank charges	330
Copies and Printing	1,861
Payroll processing	2,621
Venue Rental	6,650
Sanitation & Garbage Removal	22,303
Appreciation to Supporters	10,226
Credit Card Processing Fees	1,790
Books & Subscriptions	<u>257</u>

TOTAL PROGRAM SERVICES

\$ 853,937

SUPPORTING SERVICES

Salaries	\$ 96,377
Payroll taxes	7,834
Office and Other supplies	583
Accounting & Legal	9,935
Filing fees	275
Telephone & Internet	5,229
Fundraising Costs	2,392
Depreciation	5,522
Local Transportation	174
Appreciation to Supporters	1,198
Insurance & Worker's compensation	1,175
Advertising	1,264
Payroll processing	892
Postage & Shipping	1,765
Books & Subscriptions	244
Copies & printing	<u>3,877</u>

TOTAL SUPPORTING SERVICES

\$ 138,736

See notes to the Financial Statements

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COMMUNITY HELP IN PARK SLOPE, INC

STATEMENT OF SUPPORT, REVENUE AND EXPENSES

ALLOCATED BY PROGRAMS

FOR THE YEAR ENDED DECEMBER 31, 2019

PUBLIC SUPPORT AND REVENUES

	<u>PROGRAM SERVICES</u>	<u>SUPPORT SERVICES</u>
Individual contributions	\$ 303,797	\$ 0
Church, School contributions	72,018	0
Foundation and Other Grants	207,448	0
Business and Matching contributions	96,019	0
Shelter fees	9,843	0
Incubator Fees	1,010	0
Interest & dividend income	2,639	0
Realized Holding Loss	21	0
Unrealized Holding Loss	24	0
In-Kind Contributions	358,058	0
TOTAL SUPPORT AND REVENUE	<u>\$1,050,877</u>	<u>\$ 0</u>

EXPENSES

Food	\$ 321,292	\$ 0
Salaries	251,835	96,377
Accounting & Legal	0	9,935
Travel & Meetings	3,851	0
Local Transportation	6,338	174
Utilities	30,082	0
Depreciation	46,562	0
Telephone & Internet	10,167	5,229
Insurance & Worker's compensation	58,047	1,175
Payroll taxes	19,575	7,834
Filing fees	13	275
Postage & Shipping	149	1,765
Repairs & Maintenance	23,467	0
Appreciation to Supporters	10,226	1,198
Office and Other Supplies	5,632	583
Advertising	0	1,264
Fundraising costs	36,411	2,392
Bank charges	330	0
Credit Card Processing Fees	1,790	0
Copies & Printing	1,861	3,877
Payroll processing	2,621	892
Venue rental	6,650	0
Sanitation & Garbage removal	22,302	0
Books & Subscriptions	257	244
TOTAL EXPENSES	<u>\$ 859,459</u>	<u>\$ 133,214</u>
EXCESS OF EXPENSES OVER SUPPORT & REVENUE	<u>\$ 191,418</u>	<u>\$(133,214)</u>

See notes to Financial Statements

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COMMUNITY HELP IN PARK SLOPE, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1 - ORGANIZATION

Community Help In Park Slope, Inc. is a nonsectarian, voluntary, community-based New York non-profit corporation chartered in 1977. Its purpose is to serve the needs of the poor and homeless in the Park Slope area of Brooklyn by providing meals and shelter. In prior years, the corporate name of the organization was "Christian Help In Park Slope, Inc." On March 28, 2016, a certificate of amendment of the certificate of Incorporation was filed to change the corporation's name to "Community Help In Park Slope, Inc." The organization also known as "CHIPS" provides safety, warmth and shelter for up to eight homeless women per night. The corporation is exempt from Federal income tax as a non-profit organization described in Section 501(c) (3) of the Internal Revenue Code.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. The organization adheres to generally accepted accounting principles as described in Industry Audit Guide of the American Institute of Certified Public Accountants, "Audits of Certain Non-Profit Organizations including Statement of Position 1978-10".
- B. Fixed assets are stated on the balance sheet at cost less accumulated depreciation. These amounts do not purport to represent the replacement or realizable values. Note 3 to the A financial statement presents more detailed information relating fixed assets.

NOTE 3 - FIXED ASSETS

Depreciation is provided on a straight line basis over the estimated useful lives of the assets.

NOTE 4 - COMMITMENTS AND OTHER CONTINGENCIES

Pursuant to the organization's contractual relationship with the funding sources, outside agencies have the right to examine the books and records that involve transactions relating to these contracts. The accompanying financial statements make no provision for the possible disallowances of expenses. Although such possible disallowances could be substantial in amount, in the opinion of management, any actual disallowance would be immaterial.

NOTE 5 - CONCENTRATION OF CASH BALANCE

At December 31, 2019, and various times during the year, Community Help In Park Slope, Inc. maintained cash balances in banks in excess of FDIC insurable limits. At December 31, 2019, the organization had \$196,761 in various checking and savings accounts and \$121,897 in Certificate of Deposits.

See Independent Accountant's Audit Report

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NOTE 6 – ACCOUNTS RECEIVABLE

The organization receives Grants from various organizations as well as pledges from individuals and other organizations. As of December 31, 2019, Accounts Receivable is comprised of the following:

Grants Receivable	\$53,080
Pledges Receivable	2,000
Other Receivable	<u>1,690</u>
Total	<u>\$56,770</u>

NOTE 7 – EQUITIES – STOCKS DONATED-IN-KIND

The organization received a donation of stocks on December 30, 2019 as follows:

Con Ed – 30 Shares	\$ 2,714
Vanguard – 88 Shares	8,166
Unrealized Holding Gain	<u>24</u>
Market Value at 12/31/19	<u>\$10,904</u>

NOTE 8 - DONATED FOODS AND SERVICES

- A. Included in Public Support and Revenues is the estimated value of donated food of \$291,539 by various New York State and City government agencies. Other donations include kitchen appliances for the new Residence of \$27,090 and venue rentals of \$12,800.
- B. The value of donated services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time to the daily operations of CHIPS. It is estimated that the amount of volunteered hours has exceeded 45,000 hours for the year ended December 31, 2019.

NOTE 9 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

NOTE 10 - SUBSEQUENT EVENTS

Community Help In Park Slope Inc. evaluated subsequent events through April 1, 2020 which is the date the financial statements were available to be issued. On February 2, 2019, Community Help In Park Slope, Inc received a summons for violation of NYC fire code, for which they failed to appear for the court date as ordered on the original summons.

NOTE 10 - SUBSEQUENT EVENTS – (CONTINUED)

On February 11, 2020, the organization received a letter from the NYC Marshal, naming the organization as a judgment debtor. The letter was forwarded to the organization's legal counsel, who promptly filed a motion with the appropriate court of jurisdiction to vacate the default judgment.

Counsel believes that the maximum fine that the organization will need to pay is \$1,000. As the actual amount of the fine has yet to be determined, the organization has not accrued any potential liability on these financial statements, but believes that this disclosure is appropriate under the circumstances mentioned in this note.