



COMMUNITY HELP IN PARK SLOPE, INC.

Financial Statements

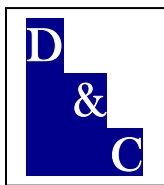
(Together with Independent Auditors' Report)

Years Ended December 31, 2021, and 2020

COMMUNITY HELP IN PARK SLOPE, INC.
FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)
YEARS ENDED DECEMBER 31, 2021 AND 2020

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Desire & Company CPAs, PLLC

Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Community Help in Park Slope, Inc.

Opinion

We have audited the accompanying financial statements of Community Help in Park Slope, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2021, and 2020, and the related statements of activities, 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 the Organization as of December 31, 2021, and 2020, 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 audits 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities 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 for 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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.

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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, including omissions, 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 the Organization'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 the Organization'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 audits.



New York, New York
July 20, 2022

Desire & Company CPAs
Certified Public Accountants & Consultants

COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 1,157,549	\$ 887,779
Investments at fair values (Notes 2C, 2D,3 and 8)	204,328	189,788
Receivables (Note 2E and 5)	146,775	41,344
Pledge receivables,net (Note 4)	99,635	-
Prepaid expenses and other	12,837	21,622
Property and equipment, net (Note 2G and 6)	<u>745,221</u>	<u>727,851</u>
TOTAL ASSETS	<u>\$ 2,366,345</u>	<u>\$ 1,868,384</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 74,693	\$ 43,767
Loan payable - PPP (Note 7)	<u>-</u>	<u>84,690</u>
TOTAL LIABILITIES	<u>74,693</u>	<u>128,457</u>
COMMITMENT AND CONTINGENCIES (Note 12)		
NET ASSETS		
Net assets without donor restrictions (Note 2B)	2,091,652	1,739,927
Net assets with donor restrictions (Note 2B and 11)	<u>200,000</u>	<u>-</u>
TOTAL NET ASSETS	<u>2,291,652</u>	<u>1,739,927</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,366,345</u>	<u>\$ 1,868,384</u>

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

COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL 2021	TOTAL 2020
REVENUES AND SUPPORT				
Contribution and grants (Note 2E and 9)	\$ 1,309,934	\$ 200,000	\$ 1,509,934	\$ 1,326,267
Government grants	127,274	-	127,274	112,644
Fee for service	17,929	-	17,929	17,002
Forgiveness of debt (Note 7)	84,690	-	84,690	-
Investment income net (Note 3)	322	-	322	7,229
Donated food, goods and services (Note 2F and 10)	187,767	-	187,767	752,330
TOTAL REVENUES AND SUPPORT	1,727,916	200,000	1,927,916	2,215,472
EXPENSES				
Program Services:				
Transitional Housing for Women	415,656	-	415,656	233,905
Soup Kitchen & Food Pantry	667,302	-	667,302	1,100,954
Total Program Services	1,082,958	-	1,082,958	1,334,859
Supporting Services:				
Management and general	118,639	-	118,639	134,158
Fundraising	174,594	-	174,594	79,138
Total Supporting Services	293,233	-	293,233	213,296
TOTAL EXPENSES	1,376,191	-	1,376,191	1,548,155
CHANGE IN NET ASSETS	351,725	200,000	551,725	667,317
NET ASSETS, Beginning of Year	1,739,927	-	1,739,927	1,072,610
NET ASSETS, End of Year	\$ 2,091,652	\$ 200,000	\$ 2,291,652	\$ 1,739,927

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

COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUES AND SUPPORT:			
Contribution and grants (Note 2E and 9)	\$ 1,326,267	\$ -	\$ 1,326,267
Government grants	112,644	-	112,644
Fee for service	17,002	-	17,002
Investment income (Note 3)	7,229	-	7,229
Donated food, goods and services (Notes 2F and 10)	752,330	-	752,330
TOTAL REVENUES AND SUPPORT	<u>2,215,472</u>	<u>-</u>	<u>2,215,472</u>
EXPENSES:			
Program Services:			
Transitional Housing for Women	233,905	-	233,905
Soup Kitchen & Food Pantry	1,100,954	-	1,100,954
Total Program Services	<u>1,334,859</u>	<u>-</u>	<u>1,334,859</u>
Supporting Services:			
Management and general	134,158	-	134,158
Fundraising	79,138	-	79,138
Total Supporting Services	<u>213,296</u>	<u>-</u>	<u>213,296</u>
TOTAL EXPENSES	<u>1,548,155</u>	<u>-</u>	<u>1,548,155</u>
CHANGE IN NET ASSETS	667,317	-	667,317
NET ASSETS, Beginning of Year	<u>1,072,610</u>	<u>-</u>	<u>1,072,610</u>
NET ASSETS, End of Year	<u>\$ 1,739,927</u>	<u>\$ -</u>	<u>\$ 1,739,927</u>

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

COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
(With Comparative totals for December 31, 2020)

	PROGRAM SERVICES			SUPPORTING SERVICES				
	TRANSITIONAL HOUSING FOR WOMEN	SOUP KITCHEN & FOOD PANTRY	TOTAL PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL SUPPORTING SERVICES	TOTAL 2021	TOTAL 2020
Salaries	\$ 193,234	\$ 211,874	\$ 405,108	\$ 51,266	\$ 111,031	\$ 162,297	\$ 567,405	\$ 354,717
Fringes	39,533	43,347	82,880	10,488	22,716	33,204	116,084	77,791
Total salaries and related costs	232,767	255,221	487,988	61,754	133,747	195,501	683,489	432,508
Professional fees and consultants	51,024	53,329	104,353	19,535	14,636	34,171	138,524	93,269
Supplies	3,298	79,527	82,825	392	849	1,241	84,066	77,123
Repairs and maintenance	24,311	27,614	51,925	3,944	-	3,944	55,869	40,657
Utilities	21,253	9,910	31,163	7,591	-	7,591	38,754	26,673
Processing fees	9,105	9,984	19,089	7,648	-	7,648	26,737	18,734
Insurance	5,279	4,493	9,772	902	1,603	2,505	12,277	14,731
Telephone	1,406	1,541	2,947	1,181	-	1,181	4,128	12,364
Printing	6,504	7,132	13,636	1,726	3,737	5,463	19,099	9,688
Storage	2,043	2,240	4,283	1,716	-	1,716	5,999	3,734
Development	5,202	5,704	10,906	1,380	2,989	4,369	15,275	-
Travel	-	266	266	-	-	-	266	2,347
Donated food, goods, and services (Notes 2F and 10)	16,597	169,359	185,956	591	1,220	1,811	187,767	752,330
Depreciation	21,476	24,353	45,829	6,561	-	6,561	52,390	48,008
Miscellaneous	15,391	16,629	32,020	3,718	15,813	19,531	51,551	15,988
TOTAL EXPENSES	\$ 415,656	\$ 667,302	\$ 1,082,958	\$ 118,639	\$ 174,594	\$ 293,233	\$ 1,376,191	\$ 1,548,154

**COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	PROGRAM SERVICES			SUPPORTING SERVICES			
	TRANSITIONAL HOUSING FOR WOMEN	SOUP KITCHEN & FOOD PANTRY	TOTAL PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL SUPPORTING SERVICES	TOTAL
Salaries	\$ 120,305	\$ 142,015	\$ 262,320	\$ 50,415	\$ 41,982	\$ 92,397	\$ 354,717
Fringes	33,182	36,020	69,202	4,482	4,107	8,589	77,791
Total salaries and related costs	153,487	178,035	331,522	54,897	46,089	100,986	432,508
Professional fees and consultants	17,875	17,875	35,750	47,519	10,000	57,519	93,269
Supplies	4,368	70,344	74,712	2,366	45	2,411	77,123
Repairs and maintenance	13,874	25,721	39,595	1,062	-	1,062	40,657
Utilities	10,358	16,198	26,556	117	-	117	26,673
Processing fees	-	10,476	10,476	65	8,193	8,258	18,734
Insurance	6,365	6,365	12,730	2,001	-	2,001	14,731
Telephone	5,614	3,234	8,848	1,771	1,745	3,516	12,364
Printing	981	1,165	2,146	1,277	6,265	7,542	9,688
Storage	1,250	2,250	3,500	234	-	234	3,734
Travel	363	1,727	2,090	245	12	257	2,347
Donated food, goods, and services (Notes 2F and 10)	4,243	748,087	752,330	-	-	-	752,330
Depreciation	14,000	14,000	28,000	20,008	-	20,008	48,008
Miscellaneous	1,127	5,477	6,604	2,596	6,789	9,385	15,989
TOTAL EXPENSES	\$ 233,905	\$ 1,100,954	\$ 1,334,859	\$ 134,158	\$ 79,138	\$ 213,296	\$ 1,548,155

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

COMMUNITY HELP IN PARK SLOPE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
CHANGE IN NET ASSETS	\$ 551,725	\$ 667,317
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Depreciation	52,390	48,008
Discount of receivables	365	-
Forgiveness debt	(84,690)	-
Change in:		
Receivables	(105,431)	15,426
Pledges receivables	(100,000)	-
Prepaid expenses and other	8,785	(14,242)
Accounts payable and accrued expenses	30,924	23,597
Net cash provided by operating activities	<u>354,068</u>	<u>740,106</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchased of investments	(14,540)	(178,885)
Purchased of fixed assets	(69,758)	(76,790)
Net cash used in investing activities	<u>(84,298)</u>	<u>(255,675)</u>
CASH FLOWS FINANCING ACTIVITIES		
Proceed from loan payable	-	84,690
Net cash provided by financing activities	<u>-</u>	<u>84,690</u>
NET INCREASE IN CASH	269,770	569,121
CASH, beginning of year	<u>887,779</u>	<u>318,658</u>
CASH, end of year	<u><u>\$ 1,157,549</u></u>	<u><u>\$ 887,779</u></u>

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

COMMUNITY HELP IN PARK SLOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1 - ORGANIZATION AND PURPOSE

Community Help in Park Slope, Inc. (the "Organization" or "CHIPS") was established in June 1977 as a not-for-profit corporation in the State of New York, based in the Park Slope/Gowanus neighborhood of Brooklyn, New York. The mission of CHIPS is two-fold: to eliminate food insecurity and homelessness in New York.

The Soup Kitchen and Food Pantry serve as many as 150 meals daily. Foods are prepared by the in-house kitchen staff and volunteers and donated by the Park Slope Food Coop and local restaurants. The Organization currently employs a professional Chef to ensure that guests can continue to enjoy fresh and delicious food every day.

Transitional Housing for Women - The Frances Residence offers fully furnished studio apartments for expecting or single mothers needing temporary emergency housing. Mothers receive pre-and post-natal support services and assistance in their search for work and permanent housing for one year. The residence program helps mothers become self-sufficient by focusing on maternal/child health training, career development, and ongoing life skills. The Frances Residence coordinates with neighborhood social service agencies to secure permanent affordable housing and explore employment opportunities.

Community Help in Park Slope, Inc. has been determined by the Internal Revenue Services to be exempt from Federal income taxes according to section 501 (c)(3) of the Internal Revenue Code of 1986, as amended.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of Accounting** - The accompanying financial statements are prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.
- B. Financial Statement Presentation** - The Organization reports its financial position and operating activities according to two classes of net assets. These classifications are defined as follows:

Net assets without donor restrictions represent resources available to support the Organization's operation over which the Board of Directors has discretionary control.

Net assets with donor restrictions – represents net assets subject to donor-imposed stipulations, including stipulations that will be met either by actions of the Organization or the passage of time, stipulations that they are maintained intact in perpetuity by the Organization. The Organization classifies resources received with restrictions whose restrictions are satisfied within the same year as without donor restrictions.

- C. Fair Value Measurement** – Investments are stated at fair value. Fair value measurements are based on the price received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as reported in Note 8.

COMMUNITY HELP IN PARK SLOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- D. Investments** – Investments are carried at fair value. Net appreciation/(depreciation) in the fair value of investments, which includes realized and unrealized gains and losses on those investments, is reported in the statement of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. The cost basis is determined on the date of the purchase. Securities received as gifts are recorded at fair value at the date of the gift. Investments securities are exposed to various market risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least possible that changes in risks in the near term could materially affect investment balances.
- E. Revenue Recognition** - Principal support for the programs operated by the Organization is derived from contributions. Contributions are generally non-exchange transactions and accounted for under Accounting Standards Update ("ASU") 2018-08 *"Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made"* (Topic 958).

Contributions are recognized as revenue when barriers within the agreements are overcome, and there is no right of return. Once the barriers are overcome, the Organization determines if there are any donor-imposed restrictions (e.g., for a specific purpose or period of time). The contribution is then recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions (see Note 2B). Once the restrictions are met, the contribution is transferred to net assets without donor restrictions. Contributions (including government grants) amounted to \$1,637,208 and \$1,438,911 for the years ended December 31, 2021, and 2020, respectively, and are included in the statement of activities.

Conditional contributions received (contribution with donor-imposed condition) are accounted for as deferred revenues or are unrecognized initially until barriers to entitlement are overcome. The donor-imposed condition represents a barrier that must be overcome before the Organization is entitled to the revenue. Failure to overcome the barrier gives the contributor a right of return of the revenue it has transferred or gives the promisor a right of release from its obligations to make a contribution.

Unconditional promises to give (without barriers) are recorded as revenues when pledged. All contributions are available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

In-kind contributions are reflected as contributions at their fair value at the date of the donation. They are reported as unrestricted support unless donor stipulations specify how donated assets must be used.

COMMUNITY HELP IN PARK SLOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- F. Donated Food, Goods, and Services** – Donated food and other non-cash items are recorded as contributions at their fair value at the time of receipt. The fair value of donated food is calculated by utilizing the approximate average wholesale value of the donated product.

Donated services are reported as contributions when the services create or enhance nonfinancial assets, would be purchased if they had not been provided by contribution, or require specialized skills and are provided by individuals possessing those skills. A substantial number of volunteers have made significant contributions of their time to support the Organization. The value of this contributed time is not reflected in these financial statements since these services do not meet the criteria for recognition. (See Note 6).

- G. Property and Equipment** – Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line and double-declining method over the related assets' estimated useful lives (5- 40 years). When property and equipment are sold or otherwise disposed of, the asset and related accumulated depreciation accounts are relieved, and any resulting gain or loss is included in operations. The Organization capitalizes property and equipment with \$1,000 or more and a useful life of greater than one year. Repairs and maintenance are charged to expense when incurred.

- H. Tax Status** - The Organization is not aware of any uncertain tax positions as of December 31, 2021, in accordance with Accounting Standards Codification ("ASC") Topic 740, "Income Taxes," which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

- I. Functional Allocation of Expenses** - The costs of providing the Organization's various programs have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services, as determined by management. Expenses identified with a specific program are charged directly to the particular program.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The allocated expenses include rent, repairs and maintenance, salaries, benefits, payroll taxes, and others. Expenses are allocated based on time spent in each functional category or other reasonable cost drivers.

- J. Use of Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

- K. Reclassifications** – Certain line items in the December 31, 2020, financial statements have been reclassified to conform to the December 31, 2021 presentation. Such reclassifications did not affect the net assets as previously reported.

COMMUNITY HELP IN PARK SLOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 3 - INVESTMENTS

The components of the Organization's investments are as of December 31st are as follows:

	<u>2021</u>	<u>2020</u>
Certificates of Deposit	\$ 161,084	\$ 160,889
Equity and EFTs	<u>43,244</u>	<u>28,899</u>
Totals	<u>\$ 204,328</u>	<u>\$ 189,788</u>

Investment activity consists of the following for the year ended December 31st:

	<u>2021</u>	<u>2020</u>
Interest and dividend income	\$ 531	\$ 1,447
Realized gain	-	20
Unrealized gain (loss)	<u>(209)</u>	<u>5,762</u>
Totals	<u>\$ 322</u>	<u>\$ 7,229</u>

NOTE 4 - PLEDGE RECEIVABLES, NET

The Organization recognizes all pledges at the present value of their estimated future cash flow, discounted using credit-adjusted discount rates applicable to the years in which the promises were received and which reflect the collection period of the respective receivable. Discount rate is 0.75% on December 31, 2021. Amounts related to programs that are receivable in less than one year or within one to two years, on December 31, 2021, are as follows. Amounts expected to be collected within one year are \$50,000 and within two years are \$49,635. The present value discount on December 31, 2021, was \$365.

NOTE 5 - RECEIVABLES

The receivable balance at of December 31, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
City of New York	\$ 45,000	\$ -
Foundations	85,000	-
United Way/Emergency Food & Shelter Program (Federal Government)	16,000	41,344
Individuals	<u>1,775</u>	<u>-</u>
Totals	<u>\$ 146,775</u>	<u>\$ 41,344</u>

COMMUNITY HELP IN PARK SLOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31st:

	<u>2021</u>	<u>2020</u>
Building and improvements	\$1,556,679	\$ 1,349,478
Furniture and equipment	63,238	48,590
Kitchen equipment	157,477	130,134
Computer equipment	<u>18,276</u>	<u>12,638</u>
Sub-Totals	\$ 1,795,671	\$ 1,540,840
Less: accumulated depreciation	<u>(1,070,950)</u>	<u>(833,489)</u>
Sub-Totals	\$ 724,721	\$ 707,351
Land (non-depreciable asset)	<u>20,500</u>	<u>20,500</u>
Totals	<u>\$ 745,221</u>	<u>\$ 727,851</u>

Depreciation expense for the year ended December 31, 2021, and 2020 was \$52,388 and \$48,008, respectively. During the year ended December 31, 2020, furniture and equipment totaling \$185,071 were written off, and the related accumulated depreciation.

NOTE 7 – LOAN PAYABLE - PPP

On April 27, 2020, the Organization received loan proceeds of \$84,690 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable if the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its payroll levels. In 2021, the principal balance of the loan and the related interest were forgiven. The result of the forgiveness is included in the statement of activities.

NOTE 8 – FAIR VALUE MEASUREMENT

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Valuations based on quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical securities assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2 – Valuations based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3 – Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

COMMUNITY HELP IN PARK SLOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 8 – FAIR VALUE MEASUREMENT (Continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used during December 31, 2021, and 2020.

Certificates of Deposit:

Certificates of deposit ("CDs") are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer. There is little difference between such calculation and cost.

Stocks and EFTs

Stocks and EFTs are valued at fair value utilizing the value at the closing price reported in the active market on which the individual securities are traded.

Financial assets carried at fair value at December 31, 2021, are classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Investments:			
Certificates of deposits	\$ 161,084	\$ -	\$ 161,084
Stocks Equity	<u>43,244</u>	<u>-</u>	<u>43,244</u>
Totals	<u>\$ 204,328</u>	<u>\$ -</u>	<u>\$ 204,328</u>

Financial assets carried at fair value at December 31, 2020, are classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Investments:			
Certificates of deposits	\$ 160,889	\$ -	\$ 160,889
Stocks Equity	<u>28,899</u>	<u>-</u>	<u>28,899</u>
Totals	<u>\$ 189,788</u>	<u>\$ -</u>	<u>\$ 189,788</u>

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NOTE 9 – CONTRIBUTIONS AND GRANTS

Contributions and grants consist of the following at December 31st:

	<u>2021</u>	<u>2020</u>
Individuals	\$ 653,775	\$ 928,755
Foundations	596,121	202,641
Corporations	<u>79,498</u>	<u>194,871</u>
Totals	<u>\$ 1,509,934</u>	<u>\$ 1,326,267</u>

NOTE 10 – DONATED FOOD, GOODS, AND SERVICES

The Organization received donations of food, legal, and professional services, clothes, and sundry items for the Shelter residents. These goods and services were an integral part of the activities of the Organization and would have to be purchased if they had not been donated. In 2021 and 2020, goods and services totaled \$187,767 and \$752,330, respectively, and have been reflected as support and expenses in the statement of activities.

The value of donated volunteer time is not reflected in the accompanying financial statements due to the difficulty of establishing a fair market value for these services. However, a substantial number of individuals donated a significant amount of time to the daily operations of the organization.

The level of donated food to the Organization was negatively impacted by changes due to the effects of the global COVID pandemic in 2020 and 2021. In 2020, at the height of the pandemic, the Organization received pre-cooked donated meals since the kitchen and dining room were closed for health and safe distancing. In 2021, as restrictions were lifted, individuals and hospitality groups of the community reduced the amount of donated precooked meals so that the Organization had to purchase meals from vendors (including Brooklyn Relief Kitchen) and resumed cooking in its kitchen.

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

For the years ended December 31, 2021, and 2020, net assets with donor restrictions are summarized as follows:

	<u>Balance as of 1/1/21</u>	<u>Additions</u>	<u>Release</u>	<u>Balance as of 12/31/21</u>
Capital campaign	\$ -	\$ 100,000	-	\$ 100,000
Time restricted	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Totals	<u>\$ -</u>	<u>\$ 200,000</u>	<u>-</u>	<u>\$ 200,000</u>

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NOTE 12 – COMMITMENTS AND CONTINGENCIES

The Organization receives grants from government agencies and other funders to perform certain related services. Fundings received under these grants are subject to audits which could result in adjustments for disallowed costs. The Organization could be held responsible for reimbursing the agencies for the amounts in question. There were no disallowances for the years ended December 31, 2021 and 2020.

NOTE 13 – CONCENTRATION OF RISK

Financial instruments that potentially subject the Organization to a concentration of credit risk include cash accounts with a bank. Cash is maintained to meet anticipated operating cash needs and is maintained in Federal Deposit Insurance Corporation ("FDIC") insured accounts at credit-qualified financial institutions. The FDIC insures deposits up to \$250,000 per depositor.

During the years ended December 31, 2021, and 2020, the Organization had cash accounts that, from time to time, could have exceeded the FDIC insurance limits. Management believes that these financial institutions have strong credit ratings and that credit risk to these accounts is minimal.

In 2021 and 2020, the Organization received support from contributions of approximately 83% and 60%, respectively. A substantial portion of the Organization's support is currently derived from contributions from corporations, foundations, and individuals. A significant reduction in these supports could have an adverse effect on the Organization's program and activities.

NOTE 14 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization regularly monitors the liquidity required to meet its operating needs and other contractual commitments. The Organization has various sources of liquidity at its disposal, including cash and receivables that provide funding for operations as needed.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities. In addition to financial assets available to meet general expenditures over the next 12 months, the Organization anticipates collecting sufficient revenue to cover general spending not covered by restricted resources. Refer to the statement of cash flows, which identifies the sources and uses of the Organization's cash.

COMMUNITY HELP IN PARK SLOPE, INC.
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NOTE 14 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS(Continued)

As of December 31, 2021, and 2020, financial assets available for general expenditures that are without donor or other restrictions limiting their use, within one year of the statements of financial position date, include the following:

	<u>2021</u>	<u>2020</u>
Cash	\$ 1,157,549	\$ 887,779
Receivables	146,775	41,344
Pledges receivable	99,635	-
Investment	<u>204,328</u>	<u>189,788</u>
Sub-totals	\$ 1,607,687	\$ 1,118,911
Less: Net assets with Donor restrictions	<u>(\$200,000)</u>	<u>-</u>
Totals	<u>\$ 1,407,687</u>	<u>\$ 1,118,911</u>

NOTE 15 – COVID - 19 PANDEMIC

The World Health Organization ("WHO") declared the coronavirus (COVID-19) a global pandemic and public health emergency. The WHO has recommended containment and mitigation measures worldwide and domestically, and self-isolation and shelter-in-place requirements have been implemented. At this point, the Organization cannot reasonably estimate the length or severity of this pandemic or the extent to which this disruption may impact the Organization's financial statements and future results of operations. The Organization will continue to monitor and evaluate the impact on its ongoing operations.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events and transactions that occurred subsequent to the date of the statements of financial position through July 20, 2022, the date the financial statements were available to be issued. No events have occurred subsequent to the Statements of Financial Position date through July 20, 2022, that would require adjustment to or disclosure in the financial statements.