

Camden Community Alliance & Resources, Inc.

Annual Financial Statements

Year Ended December 31, 2021
(With Independent Auditor's Report Thereon)

Camden Community Alliance & Resources, Inc.

ANNUAL FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

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Clausell &
Associates, P.C.

Certified Public Accountants • Management Consultants
Certified Forensic Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of **Camden Community
Alliance & Resources, Inc.**

Opinion

We have audited the accompanying financial statements of **Camden Community Alliance & Resources, Inc.** (the "Organization," a Georgia nonprofit organization) which comprise the statement of financial position as of December 31, 2021 and the related statements of activities, functional expenses and cash flows for the year 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 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.

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 the Organization 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.

Responsibilities of Management 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, 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. Reasonable assurance is a high level of assurance but it is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect 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.



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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 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 audit.

Clausell & Associates, CBI, P.C.

Decatur, GA
September 20, 2022

SECTION I

FINANCIAL SECTION

Camden Community Alliance & Resources, Inc.

STATEMENT OF FINANCIAL POSITION

December 31, 2021

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
ASSETS			
Cash (Note B)	\$ 260,076	\$ 50,620	\$ 310,696
Grants receivable (Note D)	77,953	-	77,953
Total current assets	338,029	50,620	388,649
Property and equipment at cost, less accumulated depreciation (Note C)	10,247	-	10,247
Total Assets	\$ 348,276	\$ 50,620	\$ 398,896
LIABILITIES AND NET ASSETS			
Accounts payable	\$ 1,323	\$ -	\$ 1,323
Note Payable - SBA-PPP Loan (Note O)	35,000	-	35,000
Total current liabilities	36,323	-	36,323
Total Liabilities	36,323	-	36,323
Net assets (Note I)	311,953	50,620	362,573
Total Liabilities and Net Assets	\$ 348,276	\$ 50,620	\$ 398,896

Camden Community Alliance & Resources, Inc.

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2021

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
PUBLIC AND PRIVATE SUPPORT			
Intergovernmental - State and Local	\$ 456,586	\$ -	\$ 456,586
Other	21,097	-	21,097
In-kind (Note E)	21,195	-	21,195
Total Public and Private Support	<u>498,878</u>	<u>-</u>	<u>498,878</u>
EXPENSES			
Program Services (Note A1)			
Program expenses	355,527	-	355,527
Total Program Services	<u>355,527</u>	<u>-</u>	<u>355,527</u>
Supporting Services			
Management & General	142,157	-	142,157
Depreciation	-	-	-
Total Supporting Services	<u>142,157</u>	<u>-</u>	<u>142,157</u>
Total Expenses	<u>497,684</u>	<u>-</u>	<u>497,684</u>
Change in Net Assets	<u>\$ 1,194</u>	<u>\$ -</u>	<u>\$ 1,194</u>

Camden Community Alliance & Resources, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2021

	Programs and Management and General					
	Alcohol Prevention Program	Family Connection Program	Suicide Prevention	Total Program Expenses	Management and General	Total All
Salaries and wages	\$ 70,391	\$ 14,322	\$ 70,548	\$ 155,261	\$ 28,081	\$ 183,342
Salaries and wages in-kind	-	-	-	-	-	-
Payroll taxes & fringe benefits	518	1,096	8,330	9,944	16,249	26,193
Total Personnel Costs	70,909	15,418	78,878	165,205	44,330	209,535
Advertising and publicity	448	-	14,462	14,910	10,668	25,578
Contributions	-	-	-	-	4,705	4,705
Contractual	16,125	64	23,971	40,160	9,138	49,298
Business expense	4,792	82	10,478	15,352	9,554	24,906
Insurance	1,322	158	2,646	4,126	1,137	5,263
Miscellaneous	-	-	-	-	11,797	11,797
Education and training	27,615	-	17,438	45,053	10,312	55,365
Occupancy	-	-	2,700	2,700	-	2,700
Utilities	1,892	-	3,326	5,218	-	5,218
Other program expenses	13,232	-	6,631	19,863	12,259	32,122
Supplies	991	94	1,681	2,766	(441)	2,325
Telephone and internet	3,073	-	4,893	7,966	633	8,599
Depreciation	-	-	-	-	2,541	2,541
Travel and transportation	6,785	202	25,221	32,208	4,329	36,537
Total Other Costs	76,275	600	113,447	190,322	76,632	266,954
Program Expenditures Before Reduction for In-kind Expenditures and Capital Additions	147,184	16,018	192,325	355,527	120,962	476,489
In-kind expenditures	-	-	-	-	21,195	21,195
Capital additions	-	-	-	-	-	-
Program Expenditures After Reduction for In-kind Expenditures and Capital Additions	\$ 147,184	\$ 16,018	\$ 192,325	\$ 355,527	\$ 142,157	\$ 497,684

Camden Community Alliance & Resources, Inc.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	Totals
Increase (decrease) in net assets	\$ 1,194
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	2,541
(Increase)decrease in:	
Due from grantors	(18,796)
Other assets	-
(Decrease)increase in:	
Accounts payable	(5,367)
Accrued salaries	31,187
Net Cash Provided by Operating Activities	10,759
Net increase (decrease) in cash, cash equivalents and restricted cash	10,759
Cash, cash equivalents and restricted cash at beginning of the year	299,937
Cash, cash equivalents and restricted cash at end of the year	\$ 310,696

CAMDEN COMMUNITY ALLIANCE & RESOURCES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1. Nature of Activities:

Camden Community Alliance & Resources, Inc. (the “Organization”) is a not-for-profit entity incorporated under the laws of the State of Georgia. The purpose of the Organization is to help make Camden County a family-friendly community. Although the Organization does not provide direct services, it works with children and their families to secure social, medical, educational, psychological, and legal assistance.

Below is a summary of programs provided by the Organization:

- *Family Connection* - program dedicated to providing health and well-being to families and communities throughout the state of Georgia.
- *Suicide Prevention Framework* - Promote the integration of suicide prevention as a core component of public and private behavioral health and healthcare systems.
- *Alcohol & Substance Abuse Prevention Project* - provides communities the capability to expand their efforts beyond alcohol prevention to address a second substance of abuse and misuse identified through local assessment data.

2. Basis of Presentation and Revenue Recognition:

The financial statements of the Organization have been prepared on the accrual basis of accounting. The Organization 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 restriction and net assets with donor restriction.

- a) Net Assets Without Donor Restriction - Net assets that are not subject to donor-imposed stipulations.
- b) Net Assets With Donor Restrictions - Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses are recorded without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and or stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received. All state grants and contracts are reported as exchange transactions in accordance with generally accepted accounting principles. All other sources of revenue are reported as contributions. See also NOTE-M.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

3. Functional Expenses

The costs of the Organization's programs and supporting services have been reported on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Expenses are charged to each program based on direct expenses incurred. Any program expenses not directly chargeable to a program are allocated based on a prescribed cost allocation plan. As of December 31, 2021, the programs are charged based on the relationship of program cost of each program to the total overall program costs.

4. Income Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable law.

The accounting standards on accounting for uncertainty in income taxes address the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Council and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from a tax position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There are no unrecognized tax benefits identified or recorded as liabilities for fiscal year 2021.

The Organization files its Form 990 with federal and state authorities in the state of Georgia. The Council is generally no longer subject to examination by the Internal Revenue service for years before 2018.

5. Property and Equipment

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method.

CAMDEN COMMUNITY ALLIANCE & RESOURCES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

6. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash with donor-imposed restrictions are separately identified in the statement of financial position as temporarily restricted net assets. Temporarily restricted cash equals advances and deferred revenues of restricted programs.

7. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

8. Fundraising

The Organization engages from time to time in various fundraising activities; however, during the year 2021, there were no significant fundraising income or expenses incurred.

9. Fair Value Measurements

The Organization has recorded in its financial statements certain financial instruments, none of which are held for trading purposes. The Organization estimates that the fair value of all its financial instruments on December 31, 2021, does not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Organization using available market information and appropriate valuation methodologies. Considerable judgement is necessarily required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Organization could realize in a current market exchange.

10. Advertising Costs

Advertising costs are expensed as incurred. During the year ended December 31, 2021, advertising costs incurred totaled \$25,578.

11. Date of Management's Review

Subsequent events have been evaluated through September 20, 2022, which is the date the financial statements were available to be issued.

CAMDEN COMMUNITY ALLIANCE & RESOURCES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

12. New Accounting Pronouncement

On August 18, 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. The Organization has adjusted the presentation of its financial statements accordingly. The new standards change the following aspects of the Organization's financial statements:

- a. The temporarily restricted and permanently net asset classes have been combined into a single net asset class called net assets with donor restrictions.
- b. The unrestricted net asset class has been renamed net assets without donor restrictions.
- c. The financial statements include a new disclosure about liquidity and availability of resources (Note L)

NOTE B - CASH ON DEPOSIT:

On December 31, 2021, the Organization had a total of \$336,396 on deposit with the two financial institutions. The book balance was \$310,696. The Organization maintained cash and cash equivalents in the amount of \$250,000 which was fully insured by federal depository insurance at fiscal yearend. On December 31, 2021, the amount in excess of the FDIC limit totaled \$35,200.

NOTE C - PROPERTY AND EQUIPMENT:

On December 31, 2021, the costs and related accumulated depreciation (if applicable) of the Organization's property and equipment consisted of the following:

	Cost	Accumulated Depreciation	Net
Furniture and Equipment	\$ 32,130	\$ 21,883	\$ 10, 247
Total	\$ 32,130	\$ 21,883	\$ 10, 247

Depreciation expense for the year was \$2,541.

CAMDEN COMMUNITY ALLIANCE & RESOURCES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE D - DUE FROM GRANTORS:

Amounts due from grantors represent unreimbursed expenses on December 31, 2021. The following summarizes the amounts due from grantor/programs:

Program	Agency	Amount
CDC Office of Financial Resources	HHS	\$73,453
Family Connection	GA DHS	4,500
Total		\$77,953

NOTE E - IN-KIND SUPPORT:

The Organization, from time to time, receives services from volunteers without compensation. When the value of such services is ascertainable and meets the requirements of FASB ASC 958-605-50-1, it is reflected in the accompanying financial statements as revenue and expense. Materials and other noncash donations are recorded at cost or estimated fair value determined at the date of donation.

For the 2021 fiscal year, the Organization had volunteer hours and other donated goods that totals \$21,195 of which \$21,195 is reported in the Statement of Activities in accordance with criteria of FASB ASC 958-605-0-1.

NOTE F - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS:

The preparation of financial statements in conformity with generally accepted accounting principles may require 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 the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE G - COMPENSATED ABSENCES:

The Organization currently does not have a policy for compensated absences. Therefore, the December 31, 2021, financial statements do not reflect or disclose any liability associated with compensated absences as required by generally accepted accounting principles.

NOTE H - COST ALLOCATION:

The Organization administers specific programs to which common costs or indirect costs (costs incurred on behalf of all programs) are charged. The Organization currently captures charges which benefit all programs in a separate fund and then allocates such costs each month by using a calculated percentage based on the percentage of each program based on a formula of funding, time and effort, and other management estimates.

CAMDEN COMMUNITY ALLIANCE & RESOURCES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE I - COMPONENTS OF NET ASSETS:

Net assets reported in the December 31, 2021, financial statements consist of the following components:

	Net Assets Without Donor Restrictions
Operating	\$ 352,326
Fixed Assets (Net)	10,247
Total	\$ 362,573

NOTE J - CONCENTRATION OF REVENUE:

The Organization receives a substantial amount of its revenue and support from the both the Department of Behavioral Health and Developmental Disabilities and Georgia Department of Human Services.

NOTE K - EFFECT OF CURRENT ECONOMIC CONDITIONS ON CONTRIBUTIONS:

The Organization depends heavily on contributions and grants for its revenue. The ability of the Organization's contributors and grantors to continue giving amounts comparable with prior years may be dependent upon current and future overall economic conditions and the continued deductibility for income tax purposes of contributions and grants to the organization. (See Note N)

NOTE L - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The Organization's primary source of support are state grants. These grants are exchange transactions in which revenue is recognized when reimbursable or allowable costs have been incurred. A substantial portion of financial assets represent funds received or receivable for the purpose of liquidating grant obligations incurred from current or prior years. Thus, financial assets may not be available for general expenditures within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization receives annual resources without donor restrictions that may be used in the event of an immediate liquidity need. As needed, the governing board initiates capital campaign and fund-raising to build liquidity reserves, from time to time.

The following reflects the Organization's financial assets of the statement as of financial position date, reduced by amounts not available for general use within one year of this date because they are reserved for the liquidation of grant obligations:

CAMDEN COMMUNITY ALLIANCE & RESOURCES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE L - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued):

	December 31, 2021
Cash and Grants receivable	\$388,649
Financial assets, at your end	388,649
Less those unavailable for general expenditures within one year:	
Subject to satisfaction of unliquidated obligations	(36,323)
Financial assets available to meet cash needs for general expenditures within one year	\$352,326

NOTE M - ADOPTED ACCOUNTING PRONOUNCEMENT:

During 2021, the Organization adopted the guidance regarding contributions received from Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This standard is intended to clarify and improve the scope and the accounting guidance for contributions received and contributions made. Key provisions in this standard include clarification regarding the accounting for grants and contracts as exchange transaction or contributions, and improved guidance to better distinguish between conditional and unconditional contributions. Based on the Organization's review of its grants and contracts, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under this new standard. The adoption of this standard had no impact on the statements of financial position and the statement of activities and change in net assets. The Organization has adopted the guidance regarding contributions made from ASU 2018-08 during the year ended December 31, 2021.

Also, during 2021, the Organization adopted ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This standard requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods and services to customers. ASU 2014-09 replaces most existing revenue recognition guidance in generally accepted accounting principles (GAAP). This standard also requires expanded disclosures relating to the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. The Organization adopted the new standard effective for the year ended December 31, 2021, using the full retrospective method. Based on the Organization's review of its contracts with customers, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under this new standard. The adoption of this standard had no impact on the statements of financial position, the statement of activities and changes in net assets but resulted in additional disclosures.

CAMDEN COMMUNITY ALLIANCE & RESOURCES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE N - COVID-19 & GLOBAL PANDEMIC:

Subsequent to December 31, 2021, and continuing, the global coronavirus pandemic threatened to deeply harm global growth and the conditions of the business environment. This pandemic affected the entire U.S. and global activities in general. The equity market, governmental funding, the consumer confidence and the broad U.S. and global stock markets. It is uncertain as to how this downturn in the financial markets and consumer confidence may affect the operations, investments, contributions, and funding of the Organization in the near future. There have not been any adjustments to the financial statements as of December 31, 2021, because of this uncertainty.

NOTE O - PAYCHECK PROTECTION PROGRAM LOAN

On March 10, 2021, the Organization was granted a loan of \$35,000, pursuant to the Paycheck Protection Program (PPP) through the Small Business Administration (SBA). Funds from the loan may be forgiven if used only for payroll costs, costs used to continue group healthcare benefits, mortgage interest, rent, utilities, and worker's protection expenditures. As of December 31, 2021, the Organization incurred \$35,000 in expenditures for which it has applied for loan forgiveness. Subsequent to December 31, 2021, the Organization applied and was approved to have the \$35,000 forgiven by the SBA. The entire amount will be recognized in accordance with its revenue recognition policy; therefore, in 2022 the revenue will be recognized (see Note A.2 and NOTE M).

NOTE P - PRIOR PERIOD ADJUSTMENT

The Organization discovered that a certain investment portfolio was not recorded in the prior year resulting in a increase in net assets with donor restrictions of \$50,620. The purpose of the portfolio is to create a reserve fund with the opportunity for other supporters of the Organization to make further contributions to the established fund at any time. The account follows prescribed guidelines set by the board of directors and is 100% managed by an outside banking institution.