KIDS FIRST CENTER, INC.

SCARBOROUGH, MAINE

FINANCIAL AUDIT REPORT

DECEMBER 31, 2022

KIDS FIRST CENTER, INC.
SCARBOROUGH, MAINE
DECEMBER 31, 2022

TABLE OF CONTENTS

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REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Management and Board of Directors
KIDS FIRST CENTER, INC.
Scarborough, Maine

Report on Financial Statements

We have audited the accompanying financial statements of Kids First Center, Inc., (a non-profit organization) which comprise the statement of financial position as of December 31, 2022, 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 Kids First Center, Inc. as of December 31, 2022, 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 Kids First Center, 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.

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 Kids First Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Kids First Center, 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 evaluating 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 Kids first Center, 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.

Report on Summarized Comparative Information

We have previously audited Kids First Center, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 25, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended.

Smith & Associates

SMITH & ASSOCIATES, CPAs
A Professional Association

Yarmouth, Maine
January 26, 2024

EXHIBIT A

KIDS FIRST CENTER, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 20,118	$ 44,380
Investments	82,700	159,414
Accounts Receivable	1,250	650
Grants Receivable	16,630	9,696
Prepaid Expenses	2,473	2,383
Total Current Assets	$ 123,171	$ 216,523
Property and Equipment		
Operating Right-of-Use Asset	$ 116,578	$ 153,295
Property and Equipment, Net	11,578	20,498
Total Property and Equipment	128,156	173,793
Total Assets	$ 251,327	$ 390,316
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	$ 7,994	$ 6,810
Accrued Payroll and Employee Benefits	18,275	25,352
Deferred Revenue	17,350	15,440
Operating Lease Liability – Current Portion	37,702	35,510
Total Current Liabilities	$ 81,321	$ 83,112
Long-term Liabilities		
Operating Lease Liability	$ 82,430	$ 120,132
Total Liabilities	$ 163,751	$ 203,244
Net Assets		
Without Donor Restrictions	$ 75,076	$ 174,572
With Donor Restrictions for Caring Dads	12,500	12,500
Total Net Assets	$ 87,576	$ 187,072
Total Liabilities and Net Assets	$ 251,327	$ 390,316

See Accompanying Notes to Financial Statements.

EXHIBIT B

KIDS FIRST CENTER, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2022
(With Comparative Totals for the Year Ended December 31, 2021)

	Without Donor Restrictions	With Donor Restrictions	Total 2022	Total 2021
Support and Revenues				
Contributions	$ 38,983	$ 0	$ 38,983	$ 36,676
Grants	121,572	0	121,572	191,858
Program Fees	135,136	0	135,136	168,238
Special Events				
Donations	28,726	0	28,726	0
In-kind Auction Donations	14,765	0	14,765	0
Ticket and Auction Sales	23,696	0	23,696	0
Other Income	8,137	0	8,137	11,048
Investment Income	(16,876)	0	(16,876)	20,276
Total Support and Revenues	$ 354,139	$ 0	$ 354,139	$ 428,096
Expenses				
Program Services	$ 291,995	$ 0	$ 291,995	$ 302,494
Management and General	86,970	0	86,970	75,725
Fundraising	74,670	0	74,670	41,865
Total Expenses	$ 453,635	$ 0	$ 453,635	$ 420,084
Loss on Disposition of Equipment	$ 0	$ 0	$ 0	$ 0
Change in Net Assets	$ (99,496)	$ 0	$ (99,496)	$ 8,012
Net Assets, Beginning of Period	$ 174,572	$ 12,500	$ 187,072	$ 179,060
Net Assets, End of Period	$ 75,076	$ 12,500	$ 87,576	$ 187,072

See Accompanying Notes to Financial Statements.

EXHIBIT C

KIDS FIRST CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022
(With Comparative Totals for the Year Ended December 31, 2021)

	Program Services	Management and General	Fundraising	Total 2022	Total 2021
Functional Expenses					
Payroll	$ 125,869	$ 26,972	$ 26,972	$ 179,813	$ 179,688
Payroll Taxes and Benefits	11,520	2,469	2,469	16,458	15,587
Total Personnel Expenses	137,389	29,441	29,441	196,271	195,275
Workshops	114	0	0	114	405
Advertising	1,366	326	213	1,905	1,454
Facilitators	44,718	0	0	44,718	55,874
Workbooks	0	0	0	0	0
Food and Beverage	0	0	6,998	6,998	0
Office Administration	20,297	5,085	703	26,085	25,424
Office Occupancy	49,176	12,294	115	61,585	59,181
Information Technology	16,219	1,517	939	18,675	11,370
Professional Fees	11,400	32,140	11,950	55,490	48,983
Event Space	0	0	3,486	3,486	0
Insurance	0	5,908	0	5,908	5,313
Training and Travel	2,396	228	0	2,624	732
Donated Auction Items	0	0	14,765	14,765	0
Other Expenses	0	31	6,060	6,091	66
Depreciation	8,920	0	0	8,920	13,660
Total Functional Expenses	$ 291,995	$ 86,970	$ 74,670	$ 453,635	$ 417,737

See Accompanying Notes to Financial Statements.

EXHIBIT D

KIDS FIRST CENTER, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Cash Flows from Operating Activities		
Changes in Net Assets	$ (99,496)	$ 8,012
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided (Used) by Operations		
Depreciation Expense	8,920	13,660
Amortization of Right-of-Use Asset	36,717	35,748
Noncash PPP Loan Forgiveness	0	(77,590)
Investment Income and Appreciation	16,876	(20,276)
Donated Securities	(442)	0
(Increase) Decrease in Accounts and Grants Receivable	(7,534)	(2,038)
(Increase) Decrease in Prepaid Expenses	(90)	(963)
Increase (Decrease) in Accounts Payable	1,184	1,480
Increase (Decrease) in Accrued Expenses	(7,077)	3,902
Increase (Decrease) in Deferred Revenues	1,910	(33,401)
Increase (Decrease) in Operating Lease Liability	(35,510)	(1,140)
Net Cash Provided (Used) by Operating Activities	$ (84,542)	$ (72,606)
Cash Flows Provided (Used) by Investing Activities		
Sales of Investments	$ 60,280	$ 280
Purchases of Equipment	0	0
Purchases of Investments	0	0
Net Cash Provided (Used) by Investing Activities	$ 60,280	$ 280
Cash Flows Provided (Used) by Financing Activities		
Proceeds from Paycheck Protection Program Loan	$ 0	$ 42,190
Net Cash Flows Provided (Used) by Financing Activities	$ 0	$ 42,190
Increase (Decrease) In Cash	$ (24,262)	$ (30,136)
Cash and Cash Equivalents, Beginning of Period	44,380	74,516
Cash and Cash Equivalents, End of Period	$ 20,118	$ 44,380
Supplemental Disclosures:		
Non-cash Financing – PPP Loan Forgiveness	$ 0	$ 77,590

See Accompanying Notes to Financial Statements.

KIDS FIRST CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Organization – Kids First Center, Inc. (“the Center”) was incorporated in 1998 under the laws of the State of Maine for the purpose of offering co-parenting classes and support groups to help parents learn to put the needs of their children first and to minimize the emotional trauma of their separation and divorce on their children. Support groups are also held for children and adolescents so they can share their experience and learn positive coping skills.

The Center assists families that experience domestic violence and address ways their children can be cared for in a safe and positive manner when separation or divorce occurs. Additionally, the Center provides opportunities for professionals who work with families to collaborate and receive continuing education to further the belief that separation and divorce should occur in a non-adversarial manner while addressing children’s needs first.

The accounting policies of the Center conform to generally accepted accounting principles applicable to non-profit organizations. The following is a summary of the more significant policies.

A. Basis of Presentation

The accompanying financial statements include the assets, liabilities, and net assets of Kids First Center, Inc. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Center and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor imposed stipulations.

Net Assets With Donor Restrictions – Net assets subject to donor imposed stipulations that may or will be met either by actions of the Center and/or passage of time, or alternatively, requiring the Center to maintain such net assets in perpetuity, in which case the donors of such assets generally permit the Center to use all or part of the income earned on related investments for general or specific purposes.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

B. Basis of Accounting

Kids First Center, Inc.’s policy is to issue its financial statements using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

C. Income Taxes

The Center is a nonprofit organization exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). Contributions made to the Center qualify for charitable deductions. It is the opinion of management that there is no unrelated business income.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Income Taxes (continued)

Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. It is the opinion of management that the Center has no uncertain positions that qualify for recognition or disclosure in the financial statements. The Center is subject to examinations by tax authorities for three years following the filing of the return.

E. Advertising Expenses

The Center expenses its advertising costs as incurred. Advertising costs amounted to $1,904 and $1,454 for the years ending December 31, 2022 and 2021, respectively.

F. Donated Assets and Services

The Organization receives gifts in kind in the form of services, goods, and facilities. Such gifts in kind are recognized in circumstances in which the Organization has sufficient discretion over the use and disposition of the items to recognize a contribution in conformity with FASB ASC 958-05-25. Accordingly, the recognition of gifts in kind revenue is limited to circumstances in which the Organization takes constructive possession of the gifts in kind and the Organization is the recipient of the gift, rather than an agent or intermediary (as defined in accounting standards). Donated services are recognized as contributions if the services create or enhance non-financial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization, the Organization exercises control over when the services are rendered, and there is clearly a measurable value for the services.

Gifts in kind received through donations are valued and recorded as revenue at their fair value at the time the contribution is received. Fair value is determined as follows:

- Contributed professional services are valued using pricing from similar services purchased or quoted prices by the donor providing the professional services.

- Goods are valued at the cost the Organization would incur to replace the related item. Goods contributed for auction do not exceed the amount received from the auction event.

The organization recognized donated nonfinancial assets in the amount of $14,765 in the form of donated auction goods for the year ended December 31, 2022, and $4,000 in the form of professional program services in the year ended December 31, 2021.

G. Cash and Cash Equivalents

Management considers all financial instruments with a maturity of three months or less to be cash equivalents, other than those classified as investments.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statements of financial position. Fair values are based upon quoted market prices. Investment income is considered a change in net assets without donor restrictions unless restricted by a donor's explicit stipulation or law.

Investments are exposed to various risks, such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term, and that such changes could materially affect the amounts reported in the statements of financial position.

I. Accounts Receivable and Grants Receivable

Accounts receivable represent fees due for services provided to clients through year-end. Grants receivable represent promises to give and amounts due under cost reimbursement grant terms once conditions have been met. All amounts to be received within one year from the financial statement date. Management believes that all such amounts are fully collectible at year-end; accordingly, no allowance for doubtful accounts is required.

J. Property and Equipment

Property and equipment are carried at cost, or in the case of donated property, at estimated fair value at the date of receipt. Depreciation of property and equipment is provided for using the straight-line method for financial reporting purposes at rates based on the estimated useful lives, ranging from 3 to 15 years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense accounts as incurred. Depreciation expense for the years ending December 31, 2022 and 2021 amounted to $8,920 and $13,660, respectively.

Property and equipment consists of the following:

Property and Equipment	
Office Furniture and Equipment	$ 60,754
Less: Accumulated Depreciation	(49,176)
Total	$ 11,578

K. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses in the reporting period. Actual results could differ from these estimates.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Revenue and Support Recognition

Program fee revenue for classes is recognized when control of the promised service is transferred to the customer in an amount that reflects the consideration the Organization expects to be entitled to in exchange for those services. This revenue stream is recognized at the time the participant attends a course. When fees are received in advance of class participation, the amount is reported as deferred revenue on the statement of financial position.

The Center hosts an annual fundraising benefit in most years. Recognition for revenues related to this event consists of two components: 1) the fair market value of the benefits received by the attendee, and 2) the contribution component. Both components are reported in the statement of activities as special event revenue. The organization recognizes the contribution portion immediately and the exchange portion upon completion of the event.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest are received. Conditional promises to give are recognized when conditions on which they depend are substantially met. Some grant contracts are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. At December 31, 2022, the Center had $47,869 of conditional grants receivable in the future when the required condition, incurring qualifying expenses, is met.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is received. All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with restrictions are reclassified to net assets without restrictions.

M. Presentation of Expenses by Function

The costs of providing the Center's various programs and activities have been summarized on a functional basis within the statement of activities. Accordingly, certain costs have been distributed among the programs and supporting services benefited, based on direct assignment of same where applicable coupled with allocations of expenses benefiting multiple cost objectives in proportion to estimated use of personnel time and facilities space.

N. Summarized Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended December 31, 2021, from which the summarized information was derived. Certain reclassifications have been made to the prior year information in order to conform with the current year presentation.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. New Accounting Standards

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The FASB also subsequently issued following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU 2018-10, Codification Improvements to Topic 842. Leases; ASU 2018-11, Leases (Topic 842): Targeted Improvements; ASU 2018-20, Narrow-scope Improvements for Lessor; and ASU 2019-01, Leases (Topic 842): Codification Improvements; ASU 2020-05, Leases (Topic 842): Discount Rate for Lessees That Are Not Public Business Entities. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the statement of financial position.

The Organization elected to adopt these ASUs effective January 1, 2022, and utilize all of the available practical expedients. The Organization has elected to present comparative financial statements under the new lease guidance. The adoption had a material impact on the Organization's statement of financial position as of January 1, 2021, but did not have a material impact on the statement of activities. The most significant impact was the recognition of ROU assets and lease liabilities for the Organization's operating leases as of January 1, 2021. The accounting for finance leases remained substantially unchanged. Adoption of the standard required the Organization to restate amounts as of January 1, 2021, resulting in an increase in operating lease ROU assets of $189,043, an increase in operating long-term lease liabilities of $155,642, and an increase in current liabilities of $33,401.

NOTE 2 – CREDIT RISK

The Center maintains its cash in bank deposit accounts at two financial institutions. There were no uninsured balances as of December 31, 2022 or December 31, 2021.

NOTE 3 – FAIR VALUE MEASUREMENTS

The Center measures its investments at fair value in accordance with generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Center uses various methods including market, income, and cost approaches. Based on these approaches, the Center often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Center utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Organization is required to provide the following information according to the fair value hierarchy, which ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

NOTE 3 – FAIR VALUE MEASUREMENTS (CONTINUED)

Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option-pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker-traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

NOTE 4 – INVESTMENTS

The following table sets forth the Center's investments by level within the fair value input hierarchy, as of December 31, 2022 and 2021:

At December 31, 2022	**Total**	**Level 1**	**Level 2**	**Level 3**
Cash and Cash Equivalents	$ 25,560	$ 25,560	$ 0	$ 0
Mutual Funds – Equity	35,690	35,690	0	0
Mutual Funds – Fixed Income	21,450	21,450	0	0
Total Investments	$ 82,700	$ 82,700	$ 0	$ 0

At December 31, 2021	**Total**	**Level 1**	**Level 2**	**Level 3**
Cash and Cash Equivalents	$ 29,200	$ 29,200	$ 0	$ 0
Mutual Funds – Equity	93,482	93,482	0	0
Mutual Funds – Fixed Income	36,732	36,732	0	0
Total Investments	$ 159,414	$ 159,414	$ 0	$ 0

NOTE 5 – ACCRUED COMPENSATED ABSENCES

Under the terms of stated personnel policies, vacation leave is granted in varying amounts according to length of service. Accrued vacation is recorded when earned and amounted to $19,903 and $13,376 at December 31, 2022 and 2021, respectively.

NOTE 6 – DEFERRED REVENUE

Income from grants, along with payments received for services yet to be provided, are deferred and recognized over the periods to which 1) the services relate, or 2) the grant conditions in relation to the incurrence of the associated costs, the passage of time, or completion of deliverables is met. At December 31 such deferred balances reported on the statement of financial position amounted to:

	2022	2021
Program Fee Deposits	$ 5,675	$ 3,765
Grant Advances	11,675	11,675
Total Deferred Revenue	$ 17,350	$ 15,440

NOTE 7 – OPERATING LEASE

In December 2018, the Center entered into an operating lease for its current office space in Scarborough. This lease is in force through December 2025, with minimum monthly rental payments ranging from $3,000 to $3,581, plus additional amounts due for taxes, operating costs and utilities. Rental expense for the years ended December 31, 2022 and 2021 amounted to $55,896 and $57,036 including common taxes and utilities expenses, respectively. Amortization of right of use asset amounted to $3,098 and $3,015 for the years ended December 31, 2022 and 2021 respectively.

Because we generally do not have access to the rate implicit in the lease, management elected to utilize the risk-free discount rate of 2.81%. At December 31, 2022, the weighted average remaining lease term is 3 years and the weighted average discount rate is 2.81%.

Future minimum rental payments due as of December 31, 2022 under the terms of this lease are as follows:

Year Ended December 31,	
2023	$ 40,500
2024	41,712
2025	42,972
Total	$ 125,184

The Center offers space on an as available month-to-month bases to various individuals and organizations. The fees received under these arrangements for the year ended December 31, 2022 and 2021, amounted to $8,323 and $10,600 respectively. These amounts are included in other income in the statement of activities.

Subsequent to year end, the Organization worked with the landlord to cancel the current lease and enter into a new lease contract for a different suite in the building. The lease is for one (1) year and monthly payments under the lease will amount to $1,850.

NOTE 8 – PAYCHECK PROTECTION PROGRAM

In May 2020 and February 2021, the Center applied for and received loans in the amount of $35,400 and $42,190 pursuant to the Payroll Protection Program (PPP). The forgiveness of the loan is dependent on the Center's adherence to the forgiveness criteria. The Center has met the forgiveness requirements of the PPP loan and applied for forgiveness within the period required by the loan terms. The first draw loan was forgiven in May 2021, and the second draw loan was forgiven in September 2021 at which time the forgiven amounts were recognized as grant support in the comparative financial statements for the year ended December 31, 2021.

NOTE 9 – LIQUIDITY AND USE OF RESOURCES

The Center's working capital and cash flows have variations during the year due to timing of cash receipts from revenue and support sources. As part of the Center's liquidity management, the organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and Cash Equivalents	$ 20,118
Investments	82,700
Accounts and Grants Receivable	17,880
Total Financial Assets	$ 120,698
Less Amounts Unavailable for General Expenditures:	
Donor Restricted to Specific Purpose	(12,500)
Financial Assets Available to Meet Cash Needs for General Expenditure within One Year	$ 108,198

NOTE 10 – DATE OF MANAGEMENT'S REVIEW AND SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 26, 2024, the date on which the financial statements were available to be issued.