

GEORGETOWN CARING PLACE
dba THE CARING PLACE
AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2024
(with comparative totals for the year ended
June 30, 2023)

GEORGETOWN CARING PLACE
dba THE CARING PLACE

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Executive Committee of the
Georgetown Caring Place dba The Caring Place

Opinion

We have audited the accompanying financial statements of the Georgetown Caring Place dba The Caring Place (a non-profit organization), which comprise the statement of financial position as of June 30, 2024, 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 Georgetown Caring Place dba The Caring Place as of June 30, 2024, 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 accordance with accounting principles generally accepted in the United States of America.

Basis of 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 Georgetown Caring Place dba The Caring Place (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 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. 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 audit.

Report on Summarized Comparative Information

We have previously audited the Organization's June 30, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 19, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Faske Lay & Co., LLP.

Georgetown, Texas
October 24, 2024

GEORGETOWN CARING PLACE
dba THE CARING PLACE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024
(With Comparative Totals for June 30, 2023)

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,303,729	\$ 1,971,053
Certificates of deposit	1,093,005	516,786
Grants receivable	-	216,000
Inventory	99,989	115,739
Prepaid expenses	18,559	14,706
Total Current Assets	2,515,282	2,834,284
Fixed Assets, net	3,213,511	3,257,168
Total Assets	\$ 5,728,793	\$ 6,091,452
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 43,009	\$ 17,577
Accrued expenses	154,565	135,375
Sales tax payable	12,865	13,284
Total Current Liabilities	210,439	166,236
Total Liabilities	210,439	166,236
Net Assets		
Without donor restrictions	5,371,390	5,532,772
With donor restrictions	146,964	392,444
Total Net Assets	5,518,354	5,925,216
Total Liabilities and Net Assets	\$ 5,728,793	\$ 6,091,452

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

GEORGETOWN CARING PLACE
 dba THE CARING PLACE
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2024
 (With Comparative Totals for the Year Ended June 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2024	2023
Revenues:				
Thrift store:				
Donations of merchandise	\$ 1,943,770	\$ -	\$ 1,943,770	\$ 1,835,477
Sales of donated merchandise	1,959,520	-	1,959,520	1,799,923
Value of merchandise sold	(1,959,520)	-	(1,959,520)	(1,799,923)
Net thrift store revenues	1,943,770	-	1,943,770	1,835,477
Contributions	1,129,876	500	1,130,376	2,630,463
Grants	77,000	90,000	167,000	573,000
Fundraising	151,692	-	151,692	128,288
Interest and other income	62,638	-	62,638	11,586
Released from restrictions	335,980	(335,980)	-	-
Total Revenues	3,700,956	(245,480)	3,455,476	5,178,814
Expenses:				
Program	3,364,459	-	3,364,459	3,193,484
Administration	327,391	-	327,391	302,193
Fundraising	170,488	-	170,488	134,244
Total Expenses	3,862,338	-	3,862,338	3,629,921
Change in Net Assets	(161,382)	(245,480)	(406,862)	1,548,893
Net Assets:				
Beginning of year	5,532,772	392,444	5,925,216	4,376,323
End of year	\$ 5,371,390	\$ 146,964	\$ 5,518,354	\$ 5,925,216

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

GEORGETOWN CARING PLACE
 dba THE CARING PLACE
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JUNE 30, 2024
 (With Comparative Totals for the Year Ended June 30, 2023)

	Program	Administration	Fundraising	Total	
				2024	2023
Salaries	\$ 1,435,153	\$ 187,491	\$ 69,133	\$ 1,691,777	\$ 1,527,983
Payroll taxes and benefits	363,354	47,022	17,099	427,475	371,537
Total Personnel Expense	<u>1,798,507</u>	<u>234,513</u>	<u>86,232</u>	<u>2,119,252</u>	<u>1,899,520</u>
Client services	860,441	-	-	860,441	949,953
Depreciation	135,686	17,560	6,385	159,631	152,118
Utilities	115,870	14,995	5,453	136,318	120,710
Building and ground maintenance	114,043	14,759	5,367	134,169	116,336
Legal and professional	34,338	33,327	33,327	100,992	59,850
Thrift store	89,921	-	-	89,921	72,291
Insurance	53,684	6,947	2,526	63,157	59,058
Office rent	41,950	-	-	41,950	40,200
Office supplies and IT	31,179	4,034	1,467	36,680	35,489
Contract labor	31,874	-	-	31,874	24,210
Fundraising expenses	-	-	29,274	29,274	28,556
Advertising	24,695	-	-	24,695	26,559
Volunteer support and supplies	14,524	-	-	14,524	16,502
Vehicle	8,041	-	-	8,041	6,715
Printing and postage	4,511	584	212	5,307	6,708
Education and training	3,416	442	161	4,019	4,775
Cash over/short	1,779	230	84	2,093	1,693
Interest	-	-	-	-	8,678
	<u>\$ 3,364,459</u>	<u>\$ 327,391</u>	<u>\$ 170,488</u>	<u>\$ 3,862,338</u>	<u>\$ 3,629,921</u>

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

GEORGETOWN CARING PLACE
dba THE CARING PLACE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

	2024	2023
Cash Flows from Operating Activities:		
Change in net assets	\$ (406,862)	\$ 1,548,893
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	159,631	152,118
(Increase) decrease in operating assets:		
Grants Receivable	216,000	(216,000)
Inventory	15,750	(35,554)
Prepaid expenses	(3,853)	4,832
Increase (decrease) in operating liabilities:		
Accounts payable	25,432	567
Accrued expenses	19,190	21,889
Sales tax payable	(419)	2,618
Net Cash Provided by Operating Activities	24,869	1,479,363
Cash Flows from Investing Activities:		
Purchase of fixed assets	(115,974)	(43,501)
Net change in certificates of deposit	(576,219)	(38,687)
Net Cash Used in Investing Activities	(692,193)	(82,188)
Cash Flows from Financing Activities:		
Payments on notes payable	-	(324,862)
Net Cash Used in Financing Activities	-	(324,862)
Net (Decrease) Increase in Cash and Cash Equivalents	(667,324)	1,072,313
Cash and Cash Equivalents, Beginning of Year	1,971,053	898,740
Cash and Cash Equivalents, End of Year	\$ 1,303,729	\$ 1,971,053
Supplement disclosure of cash flow information:		
Cash paid for interest	\$ -	\$ 8,678

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

GEORGETOWN CARING PLACE
dba THE CARING PLACE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024
(With Comparative Totals for June 30, 2023)

NOTE A - DESCRIPTION OF ORGANIZATION

The Georgetown Caring Place (the Organization) is a non-profit Texas corporation established in 1986 to carry out a community-wide mission of churches, other organizations, and individuals serving human needs in the City of Georgetown and surrounding areas. The Organization's work includes providing food, clothing, household goods, case management, and financial assistance with basic needs for persons residing in Georgetown and northern Williamson County.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies for the Organization is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who is responsible for their integrity and objectivity. These accounting policies and principles conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable. Expenditures are recorded in the accounting period incurred, if measurable.

Net Assets

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified as follows:

Net Assets Without Donor Restrictions: Assets available for use in general operations and not subject to donor restrictions. As described in Note G, the Board of Directors has designated, from net assets without donor restrictions, certain amounts to be used for strategic purposes.

GEORGETOWN CARING PLACE
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024
(With Comparative Totals for June 30, 2023)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Net Assets - Continued

Net Assets With Donor Restrictions: Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met with the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. There were no donor-imposed restrictions of a perpetual nature at June 30, 2024 and 2023. Donor-imposed restrictions are released when a restriction expires, such as when a stipulated time has elapsed, when the purpose for the restriction has been fulfilled, or both. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Income Tax Status

The Organization is exempt under Section 501(c)(3) of the Internal Revenue Code from Federal Income Tax on income arising from its exempt purpose. The Organization is also exempt from state income taxes in the State of Texas under Sections 151.310, 156.102, and 171.062 of the Texas Tax Code. Therefore, no provisions for income taxes are included in the financial statements. Provisions for income taxes on unrelated business income are made when required for income from non-exempt activities and paid during the year.

The Organization does not believe that it has engaged in any situation that would result in an uncertain tax position. As a result, management does not believe that any uncertain tax positions currently exist and therefore, no loss contingency has been recognized in the accompanying financial statements. Federal and state income tax statutes dictate that tax returns filed in any of the previous three and four reporting periods remain open to examination. Currently, the Organization has no open examinations with either the Internal Revenue Service or state taxing authorities.

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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

GEORGETOWN CARING PLACE
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024
(With Comparative Totals for June 30, 2023)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Cash Equivalents

The Organization considers all cash and other highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

Inventory

The Organization has inventory of used clothing, household goods and other items donated by the local community for resale in the Organization's thrift stores. The inventory is stated at its estimated sales price, which management has determined to be the fair value of the items. Items that are available for sale as of June 30, 2024 and 2023 are included in inventory. Obsolete or unsellable items are removed from inventory.

Fixed Assets

Fixed assets are recorded at cost and depreciated over their estimated useful lives. Any donated items are recorded at fair value. When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in the period. Maintenance and repairs are charged to expense as incurred, and significant renewals and betterments are capitalized. The Organization has a policy of only capitalizing depreciable assets purchased at or over \$1,000, expensing items falling below that amount. Depreciation is provided using the straight-line method over the estimated useful lives of the assets generally as follows:

Building and improvements	7-39 years
Furniture, fixtures and equipment	5-7 years

Revenue

The Organization's revenues come primarily from contributions, grants and the operation of the thrift stores. The thrift stores' sales of donated used clothing and household goods represent a contract with a customer at a point in time. The Organization does not extend product guarantees and does not accept returns. Therefore, revenue is recognized when the donated inventory is sold and the corresponding value is recognized as cost of goods sold.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024
(With Comparative Totals for June 30, 2023)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue - Continued

Under FASB ASU 2016-145, contributions and grants received are recorded as Without Donor Restrictions or With Donor Restrictions depending on the existence or nature of any donor restrictions. Contributions that are reported as With Donor Restrictions are reclassified to Without Donor Restrictions net assets upon expiration of the time or purpose restriction. Contributions and grant restrictions that are satisfied in the year of receipt are reported as without donor restrictions revenue in the same year.

Donated Property and Services

Donated property and services are recorded at fair market value on the date of the donation as in-kind donations if all qualifications for recognition have been met. The Organization receives a significant amount of donated services from unpaid volunteers who assist in direct services, fundraising and special projects. No amount has been recognized in the statement of activities because those services do not meet the criteria for recognition. Contributed professional services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated services of \$16,341 and \$1,500 were recorded for the years ended June 30, 2024 and 2023, respectively.

Functional Expenses

The expenses of the Organization's various programs and supporting services have been reported on a functional basis. Accordingly, certain expenses are allocated between program and supporting service benefited. Such allocations are based on estimates made by management and historical analysis. Occupancy expenses are allocated on a square footage basis. Salaries, benefits, and payroll taxes, as well as, office expenses, information technology, insurance, depreciation, and other are allocated on the basis of estimates of time and effort. Program related expenses directly attributable to a specific functional area are reported as expenses of those functional areas.

Leases

The Organization has elected to exclude short-term leases, twelve months or less, and immaterial leases from ASC Topic 842. The Organization's leases include a short-term operating lease for one of the thrift store locations.

GEORGETOWN CARING PLACE
 dba THE CARING PLACE
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024
 (With Comparative Totals for June 30, 2023)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Compensated Absences

The Organization expenses paid time off in the year earned. Upon termination, the employee is compensated for any accrued but unused paid time off.

Advertising

The Organization expenses advertising costs as they are incurred.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by class of net assets. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

NOTE C - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year from the statement of financial position date, comprise the following as of June 30:

	2024	2023
Cash and cash equivalents	\$ 1,303,729	\$ 1,971,053
Certificates of deposit	1,093,005	516,786
	2,396,734	2,487,839
Less: Board designated net asset	986,194	1,000,000
	\$ 1,410,540	\$ 1,487,839

GEORGETOWN CARING PLACE
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 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024
 (With Comparative Totals for June 30, 2023)

NOTE C - LIQUIDITY AND AVAILABILITY - Continued

As a 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. The Organization's goal is that annual revenues are to cover annual expenses.

NOTE D - CERTIFICATES OF DEPOSIT

Certificates of deposit are carried at cost which approximates fair value.

NOTE E - GRANTS RECEIVABLE

Grants receivable includes a two year grant awarded during the year ended June 30, 2023 with the second payment to be paid during the year ended June 30, 2024. The total amount is expected to be collected and therefore no allowance has been recorded. Grants receivable as of June 30, 2024 was \$0.

NOTE F - FIXED ASSETS, NET

Fixed assets consists of the following as of June 30:

	2024	2023
Land	\$ 416,507	\$ 416,507
Buildings and improvements	4,199,693	4,157,827
Furniture, fixtures and equipment	512,442	459,575
Construction in progress	21,241	-
	5,149,883	5,033,909
Less: accumulated depreciation	1,936,372	1,776,741
	\$ 3,213,511	\$ 3,257,168

GEORGETOWN CARING PLACE
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 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024
 (With Comparative Totals for June 30, 2023)

NOTE G - BOARD DESIGNATED NET ASSETS

Included in net assets without donor restrictions is board designated net assets for strategic purposes of \$986,194 and \$1,000,000 as of June 30, 2024 and 2023, respectfully. Strategic purposes include improvements at the Railroad Store, see Note L.

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes as of June 30:

	2024	2023
Atmos	\$ 5,168	\$ 12,590
Rent and mortgages	90,000	75,000
Support for older adults	51,296	304,453
Other	500	401
	\$ 146,964	\$ 392,444

Net assets released from net assets with donor restrictions are for client services as follows:

	2024	2023
Satisfaction of purpose restrictions		
Support for older adults	\$ 253,158	\$ 127,547
Rent and mortgages	75,000	75,000
Atmos	7,421	5,696
Other	401	-
	\$ 335,980	\$ 208,243

NOTE I - RETIREMENT PLAN

The Organization has adopted a Simple IRA retirement plan for all eligible employees. The amount of the Organization's contribution is determined by its board of directors. Contributions made by the Organization for the years ended June 30, 2024 and 2023 were \$33,261 and \$30,520, respectively.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024
(With Comparative Totals for June 30, 2023)

NOTE J - RELATED PARTY TRANSACTIONS

During the years ended June 30, the Organization incurred legal expenses of \$18,263 to a law firm for which one of the Board members was a partner and one of the Organization's Board members was an officer for the bank that held its notes payable. During the year ended June 30, 2024, there were no related party transactions.

NOTE K - CONCENTRATIONS

The Organization is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2024, the Organization was covered by insurance for these various risks at a reasonable level and a cost it considered to be economically justifiable.

At various times throughout the year ending June 30, 2024, the Organization exceeded the balances covered by the Federal Deposit Insurance Corporation (FDIC). Management monitors all accounts and has not experienced any losses on deposits.

NOTE L - CONSTRUCTION CONTRACT

In May, 2024, the Organization entered into a construction contract, in the amount of \$515,615, for improvements at the Railroad Store. Construction started on July 31, 2024 with an estimated completion by December 31, 2024. Board designated funds will be used to pay for the improvements.

NOTE M - SUBSEQUENT EVENTS

Management has evaluated all subsequent events for disclosure and/or recognition through October 24, 2024, which is the date the financial statements were available to be issued. No events occurred that would impact the financial statements.