

THE CHRISTIAN CENTER OF PARK CITY

FINANCIAL STATEMENTS

Year Ended March 31, 2023
With Summarized Comparative Information
for the Year Ended March 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Christian Center of Park City
Park City, Utah

Opinion

We have audited the financial statements of The Christian Center of Park City (the "Organization"), which comprise the statements of financial position as of March 31, 2023 and 2022, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of March 31, 2023 and 2022, 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 audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' 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.

Change in Accounting Principle

As discussed in Note 5 to the financial statements, the Organization changed its method of accounting for leases as a result of the adoption of Accounting Standards Codification Topic 842, *Leases*, effective April 1, 2022, under the modified retrospective transition method. Our opinion is not modified with respect to this matter.

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 for one year after the date that the financial statements are 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 auditors' 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 GAAS 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Christian Center of Park City's March 31, 2022 financial statement, and we expressed an unmodified opinion on that audited financial statement in our report dated December 22, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Mayer Hoffman McCann P.C.

October 5, 2023
Salt Lake City, Utah

THE CHRISTIAN CENTER OF PARK CITY

STATEMENTS OF FINANCIAL POSITION

March 31, 2023 and 2022

	<u>ASSETS</u>	
	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,417,348	\$ 2,979,499
Pledges receivable	73,795	90,602
Inventory	91,593	86,466
Prepaid expenses	15,425	7,622
TOTAL CURRENT ASSETS	2,598,161	3,164,189
PROPERTY AND EQUIPMENT	10,329,684	10,679,710
RIGHT OF USE ASSET	171,401	-
DEPOSITS	196	196
TOTAL ASSETS	<u>\$ 13,099,442</u>	<u>\$ 13,844,095</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 51,367	\$ 28,090
Accrued expenses	102,457	84,357
Lease liability, current	112,454	-
Current portion of notes payable	125,864	238,517
TOTAL CURRENT LIABILITIES	392,142	350,964
Notes payable	2,222,171	3,181,371
Lease liability, non-current	62,170	-
TOTAL LIABILITIES	2,676,483	3,532,335
NET ASSETS		
Net assets without donor restrictions	10,071,651	8,961,113
Net assets with donor restrictions	351,308	1,350,647
TOTAL NET ASSETS	10,422,959	10,311,760
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 13,099,442</u>	<u>\$ 13,844,095</u>

See Notes to Financial Statements

THE CHRISTIAN CENTER OF PARK CITY

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

Year Ended March 31, 2023 with Summarized Comparative Totals for 2022

	Without donor restrictions	With donor restrictions	Totals 2023	Summarized comparative totals 2022
REVENUE AND SUPPORT				
Individual contributions	\$ 1,203,359	\$ 1,361,936	\$ 2,565,295	\$ 3,602,444
In-kind contributions	4,203,740	-	4,203,740	3,795,213
Thrift stores	2,185,449	-	2,185,449	1,982,054
Counseling revenue	708,500	-	708,500	551,042
Rental	18,475	-	18,475	31,739
Miscellaneous	30,784	-	30,784	20,010
Net assets released from restrictions	2,361,275	(2,361,275)	-	-
TOTAL REVENUES AND SUPPORT	10,711,582	(999,339)	9,712,243	9,982,502
EXPENSES				
Program services:				
Programs	2,797,379	-	2,797,379	1,684,319
Thrift stores	5,657,607	-	5,657,607	5,560,912
Supporting services:				
Fundraising activities	342,363	-	342,363	454,705
Management and general	643,063	-	643,063	598,250
Interest expense	160,632	-	160,632	225,932
TOTAL EXPENSES	9,601,044	-	9,601,044	8,524,118
CHANGE IN NET ASSETS	1,110,538	(999,339)	111,199	1,458,384
NET ASSETS				
Balance - beginning of year	8,961,113	1,350,647	10,311,760	8,853,376
Balance - end of year	<u>\$ 10,071,651</u>	<u>\$ 351,308</u>	<u>\$ 10,422,959</u>	<u>\$ 10,311,760</u>

See Notes to Financial Statements

THE CHRISTIAN CENTER OF PARK CITY

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended March 31, 2023 with Summarized Comparative Totals for 2022

	PROGRAM SERVICES			SUPPORTING SERVICES				Summarized Comparative
	Programs	Thrift Stores	Total Program Services	Fundraising Activities	Management and General	Total Supporting Services	Totals 2023	Totals 2022
Salaries and wages	\$ 1,494,358	\$ 824,622	\$ 2,318,980	\$ 160,961	\$ 358,260	\$ 519,221	\$ 2,838,201	\$ 2,294,808
Payroll tax	111,311	61,807	173,118	12,125	23,413	35,538	208,656	157,192
Health insurance	177,573	78,430	256,003	11,938	39,695	51,633	307,636	281,210
Advertising	7,637	2,353	9,990	1,144	225	1,369	11,359	15,422
Auto expenses and fuel	19,469	48,180	67,649	308	1,960	2,268	69,917	56,869
Bank service charges	11	-	11	100	1,401	1,501	1,512	1,202
Board expenses	-	-	-	-	3,235	3,235	3,235	465
Insurance	5,680	14,324	20,004	39	2,520	2,559	22,563	27,328
Vendor and contract services	118,820	55,275	174,095	114,103	106,127	220,230	394,325	348,623
Cost of sales	-	2,229,727	2,229,727	-	-	-	2,229,727	1,991,776
Gift in-kind donations	-	1,934,946	1,934,946	-	-	-	1,934,946	1,764,580
Credit card fees	16,592	48,236	64,828	5,972	-	5,972	70,800	46,344
Programs	531,000	1,650	532,650	87	39	126	532,776	457,249
Rent and utilities	77,797	173,321	251,118	624	24,082	24,706	275,824	255,586
Development expense	-	10,415	10,415	9,475	212	9,687	20,102	22,637
Depreciation expense	184,955	140,566	325,521	-	44,389	44,389	369,910	366,141
Newsletter	-	-	-	-	-	-	-	464
Postage	-	-	-	1,766	523	2,289	2,289	2,846
Printing	3,142	85	3,227	8,439	1,349	9,788	13,015	6,256
Professional expense	6,298	-	6,298	1,070	643	1,713	8,011	11,529
Supplies	27,995	27,955	55,950	1,245	30,691	31,936	87,886	87,185
Licenses	1,323	-	1,323	-	418	418	1,741	603
Software subscriptions	12,062	4,617	16,679	12,914	3,642	16,556	33,235	32,029
Other expense	1,356	1,098	2,454	53	239	292	2,746	69,842
TOTAL FUNCTIONAL EXPENSES	2,797,379	5,657,607	8,454,986	342,363	643,063	985,426	9,440,412	8,298,186
Interest expense	32,559	120,564	153,123	-	7,509	7,509	160,632	225,932
Total	\$ 2,829,938	\$ 5,778,171	\$ 8,608,109	\$ 342,363	\$ 650,572	\$ 992,935	\$ 9,601,044	\$ 8,524,118

See Notes to Financial Statements

THE CHRISTIAN CENTER OF PARK CITY

STATEMENTS OF CASH FLOWS

Years Ended March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 111,199	\$ 1,458,384
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	369,910	366,141
Amortization of right of use asset	113,742	-
Increase (decrease) in operating assets and liabilities:		
Pledges receivables	16,807	(43,480)
Inventory	(5,127)	(19,132)
Prepaid expenses	(7,803)	22,510
Deposits	-	4,260
Accounts payable	23,277	15,712
Accrued expenses	18,100	20,122
Lease liability	(110,519)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>529,586</u>	<u>1,824,517</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(19,884)</u>	<u>(30,033)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(19,884)</u>	<u>(30,033)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term debt	<u>(1,071,853)</u>	<u>(1,482,322)</u>
NET CASH FLOWS FROM FINANCING ACTIVITIES	<u>(1,071,853)</u>	<u>(1,482,322)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(562,151)	312,162
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR	<u>2,979,499</u>	<u>2,667,337</u>
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, END OF YEAR	<u>\$ 2,417,348</u>	<u>\$ 2,979,499</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	\$ 160,632	\$ 225,932
Adoption of ASC 842	\$ 232,526	\$ -
Right of use asset obtained in exchange for liability	<u>\$ 52,617</u>	<u>\$ -</u>

See Notes to Financial Statements

THE CHRISTIAN CENTER OF PARK CITY

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies

Nature of Activities – The Christian Center of Park City, a nonprofit organization, (the “Organization”) was formed on December 14, 1999. The Organization’s mission is to serve as a Christian, humanitarian community resource center that helps improve the lives of people and communities through meeting immediate and basic needs, serving as a leading networker of community resources, offering counseling and care support, and by giving hope to those they serve. Over the last 20 years, the Organization has started a multitude of programs, including the largest food pantry in both Summit and Wasatch Counties, two thrift stores, a boutique shop, a weekly dinner for international seasonal workers, an outreach to Native American Communities (Navajo and Goshute), a free legal clinic, special initiatives reaching low-income children through the schools and seasonal programs, as well as leveraging donated food and household supplies, engaging hundreds of volunteers in thousands of hours of service projects, and helping countless residents secure the resources they need to survive.

Basis of presentation – The accompanying financial statements are presented in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions include those net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors. Net assets with donor restrictions include those net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When restrictions expire, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities and change in net assets.

Prior year summarized comparative information – The financial statements and certain notes include certain prior year summarized comparative information in total. Such information does not always include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Accordingly, such information should be read in conjunction with the organization’s financial statements for the year ended March 31, 2022, from which the summarized comparative information was derived.

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP 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 during the reporting period. Actual results could differ from those estimates.

THE CHRISTIAN CENTER OF PARK CITY

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies (continued)

Cash and cash equivalents – The Organization considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. The organization maintains its cash balances at a financial institution. At times such investments may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash.

Inventory – Inventory consists of donated items to be given away to the needy and/or sold for the benefit of the Organization. Donated items are valued at the estimated value for which they can be sold.

Property and equipment – It is the Organization's policy to capitalize property and equipment purchases over \$500. Lesser amounts are expensed. Purchased property 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 for 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 net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are being depreciated over their estimated useful lives using the straight-line method.

Assets

Land and buildings

Autos and trucks

Furniture, fixtures, and equipment

Estimated Useful Lives

30 years

5 years

3-15 years

Donated services and In-kind contributions – During the years ended March 31, 2023 and 2022, the value of contributed services was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The Organization receives more than 3,000 volunteer hours per year.

The Organization also receives food, clothing, furniture, and other goods which assist in the accomplishment of its mission. These donations are recorded in the financial statements as in-kind revenue and expense at their estimated fair market value which totaled approximately \$4,203,740 and \$3,795,213 for the years ended March 31, 2023 and 2022, respectively.

Revenue recognition – The Thrift Stores revenues are recognized at the point of sale and when the goods have transferred to the customer.

Counseling revenues are recognized at a point in time once the performance obligation has been satisfied and the client has been provided with their counseling session.

THE CHRISTIAN CENTER OF PARK CITY

NOTES TO FINANCIAL STATEMENTS

(1) Summary of significant accounting policies (continued)

Contributions – Contributions are recorded with donor restrictions or without donor restrictions, depending on the existence and nature of any donor restrictions. All contributions are considered to be available for unrestricted use in the appropriate time period, unless specifically restricted by the donor.

All donor-restricted contributions are reported as an increase in net assets with donor restrictions. 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.

Amounts restricted for future periods or restricted for specific purposes are reported as restricted support. When a donor-stipulated time restriction ends or a purpose restriction is accomplished, the net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as satisfactions or program restrictions and net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

The donor restrictions on assets as of March 31, 2023 and 2022 related to collections and pledges which were designated for allocation during future years at the restriction of the donor, were to be used in specific programs and had not been expended at March 31, 2023 and 2022 (see Note 6).

Functional allocation of expenses – The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among programs and supporting services benefited.

Income taxes – The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and under the State of Utah tax regulations. Consequently, no provision for income taxes has been recorded in the accompanying financial statement.

Advertising – All costs associated with advertising and promoting the Organization's goods and services are expensed in the year incurred. Advertising expense totaled \$11,359 and \$15,422 for the years ended March 31, 2023 and 2022, respectively.

Recently adopted accounting pronouncements, leases – In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, *Leases* (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of operations. In June 2020, the FASB issued ASU No. 2020-05, which deferred the effective date for all entities that have not yet adopted Topic 842 to annual reporting periods beginning after December 15, 2021. A modified retrospective transition approach is required, applying the new standard to all leases existing at the date of initial application. An entity may choose to use either (1) its effective date or (2) the beginning date of the earliest comparative period presented in the financial statements as its date of initial application. If an entity chooses the second option, the transition requirements for existing leases also apply to leases entered into between the date of initial application and the effective

THE CHRISTIAN CENTER OF PARK CITY

NOTES TO FINANCIAL STATEMENTS

(1) **Summary of significant accounting policies (continued)**

date. The entity must also recast its comparative period financial statements and provide disclosures required by the new standard for the comparative periods.

The Organization adopted the new standard on April 1, 2022 and used the effective date as the date of initial application. Consequently, lease disclosures for the year ended March 31, 2022 are made under prior lease guidance in FASB ASC Topic 840.

The new standard provides a number of optional practical expedients in transition. The Organization elected the “package of practical expedients” which permitted the Organization not to reassess under the new standard its prior conclusions about lease identification, lease classification, and initial direct costs. The Organization also elected the short-term lease recognition exemption for all leases that qualified. For those leases that qualified, the existing short-term leases at the transition date are those entered into subsequent to the transition date, the Organization did not recognize right-of-use assets or lease liabilities.

As a result of the adoption of this standard, the Organization recognized a right-of-use asset of \$232,526 and lease liabilities of \$232,526 on April 1, 2022, which represents the present value of the remaining operating lease payments as of that date, discounted using the risk-free rate. See Note 5 for further information on the Organization’s leases.

The standard did not have a material impact on the Organization’s March 31, 2023 statement of financial position, statement of activities & change in net assets, or the statement of cash flows. The most significant impact was the recognition of right-of-use assets and lease liabilities for operating leases.

(2) **Related party transactions**

During fiscal year 2023, the Organization received support without donor restrictions in the amount of \$326,000 and support with donor restrictions in the amount of \$0 from board members and employees. These amounts from related parties were 3% of total revenues and support. During fiscal year 2022, the Organization received support without donor restrictions in the amount \$344,480 and support with donor restrictions in the amount of \$0 from board members and employees. These amounts from related parties were 3% of total revenues and support.

THE CHRISTIAN CENTER OF PARK CITY

NOTES TO FINANCIAL STATEMENTS

(3) Property and equipment

The cost and related accumulated depreciation of property and equipment as of March 31 consisted of the following:

	<u>2023</u>	<u>2022</u>
Cost:		
Land and buildings	\$ 11,703,347	\$ 11,703,347
Autos and trucks	207,112	207,112
Furniture, fixtures, and equipment	697,768	677,884
Total cost	12,608,227	12,588,343
Less accumulated depreciation	(2,278,543)	(1,908,633)
Property and equipment, net	<u>\$ 10,329,684</u>	<u>\$ 10,679,710</u>

Depreciation expense for the years ended March 31, 2023 and 2022 was \$369,910 and \$366,141, respectively.

(4) Long-term liabilities

Long-term liabilities consist of the following:

	<u>2023</u>	<u>2022</u>
Note to a private entity, variable interest (6% at March 31, 2023 and 2022), payable in montly installments of \$21,994 including interest, secured by property, matures January 2036	\$ 2,348,035	\$ 2,467,179
Note with a bank, interest based on lender's index rate (2.95% at March 31, 2022), payable in monthly installments of \$11,602 including interest, matures March 2030, guaranteed by a board member	-	952,709
	2,348,035	3,419,888
Less current portion of long-term liabilities	(125,864)	(238,517)
Long-term liabilities excluding current portion	<u>\$ 2,222,171</u>	<u>\$ 3,181,371</u>

Scheduled maturities of long-term liabilities in each of the next five years are as follows:

2024	\$ 125,864
2025	139,761
2026	148,381
2027	157,533
2028	167,249
Thereafter	1,609,247
	<u>\$ 2,348,035</u>

THE CHRISTIAN CENTER OF PARK CITY

NOTES TO FINANCIAL STATEMENTS

(5) Operating leases

The Organization entered into a lease agreement beginning August 1, 2016 to lease space in Heber City for their Heber City Center Stage thrift store and Heber City Pantry. The lease had an initial term of 1 year with an option to extend the lease for an additional two years. The Organization extended the lease and entered into a new three-year agreement effective March 1, 2021. The lease calls for monthly payments of \$7,900.

On April 1, 2022, the Organization adopted ASC 842 for their operating leases. The Organization has evaluated each of their leases and determined they are reasonably certain to exercise any option to extend each of their leases as allowed under the contract. Therefore, the options to extend are included in the calculation of the right-of-use asset and lease liability. The Organization's leases do not contain any material residual value guarantees or material restrictive covenants.

On April 1, 2022, the Organization recorded \$232,526 right-of-use assets in exchange for operating lease obligations of the same amount. The weighted average discount rate used in calculating the right-of-use assets and lease liabilities on March 31, 2023 was 1.2%. As of March 31, 2023, the remaining weighted average lease term is 2.38 years.

Total rent expense for building leases for the years ended March 31, 2023 and 2022 was \$94,922 and \$91,742, respectively. Future payments under leases as of March 31, 2023 are as follows:

Years Ending March 31,

2024	\$ 90,200
Total payments	90,200
Less imputed interest	(101)
Total Lease Liabilities	<u>\$ 90,099</u>

Total rent expense for vehicle leases for the years ended March 31, 2022 and 2021 was \$15,331 and \$11,690, respectively. Future minimum lease payments are as follows:

Years Ending March 31,

2024	\$ 22,224
2025	22,224
2026	22,224
2027	16,854
2028	<u>5,742</u>
Total payments	89,268
Less imputed interest	(4,743)
Total Lease Liabilities	<u>\$ 84,525</u>

THE CHRISTIAN CENTER OF PARK CITY

NOTES TO FINANCIAL STATEMENTS

(6) Net assets with donor restrictions

Net assets with donor restrictions are available for the following purposes:

	2023	2022
Back 2 School Programs	\$ 86,728	\$ 104,205
Basic Needs Assistance	97,686	318,019
Counseling	122,425	770,797
Food Pantry	13,111	27,371
Minority Outreach	29,989	80,216
Christmas Assistance	1,369	29,930
Other Programs	-	20,109
Total	\$ 351,308	\$ 1,350,647

(7) Retirement plan

The Organization sponsors a 403(b) plan (the "Plan"), which reports on a calendar year. Benefits under the Plan are provided through a group annuity contract. Employer matching contributions to the Plan are equal to 100% of employee elective deferrals up to 2% of eligible gross wages. Employer contributions made to the Plan were \$18,500 and \$4,000 for the years ended March 31, 2023 and 2022, respectively.

(8) Liquidity and availability of resources

The Organization's financial assets available for general expenditures within one year are as follows:

	2023	2022
Cash and cash equivalents	\$ 2,417,348	\$ 2,979,499
Pledges receivable	73,795	90,602
Net assets available for general use within one year	\$ 2,491,143	\$ 3,070,101

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 become due.

(9) Subsequent events

Management of the Organization has evaluated subsequent events through the date of the independent auditors' report, which is also the date the financial statements were available to be issued. No subsequent events were noted during this evaluation that require recognition or disclosure in these financial statements.