

# **Community Shares of Mid Ohio**

Audited Financial Statements

As of and for the years ended  
June 30, 2022 and 2021

**Community Shares of Mid Ohio  
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## INDEPENDENT AUDITORS' REPORT

To the Audit Committee  
of Community Shares of Mid Ohio

### Opinion

We have audited the accompanying financial statements of Community Shares of Mid Ohio (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Shares of Mid Ohio as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Shares of Mid Ohio and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Shares of Mid Ohio'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 Community Shares of Mid Ohio'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 Community Shares of Mid Ohio's ability to continue as a going concern for a reasonable period of time.

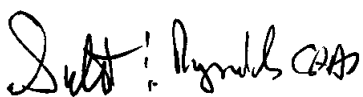
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Emphasis of Matter**

As discussed in Note 18 to the financial statements, Community Shares of Mid Ohio determined that fiscal sponsor liability was understated in prior years. Accordingly, Community Shares restated its financial statements for the year ended June 30, 2021. Our opinion is not modified with respect to this matter.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Distributions to Member Agencies from Workplace Campaign Contributions on Pages 17-18 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Siebert & Reynolds, CPA's  
Pickerington, OH  
October 5, 2022

**Community Shares of Mid Ohio**

**STATEMENTS OF FINANCIAL POSITION**

**As of June 30, 2022 and 2021**

**ASSETS**

	<u>2022</u>	<u>2021</u> <u>Restated</u>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 193,557	\$ 305,101
Fiscal sponsor funds	114,114	33,058
Accounts receivable	13,500	5,250
Investments - securities	33,987	38,663
Prepaid expenses	764	1,044
Total Current Assets	355,922	383,116
Equipment	1,721	-
Less accumulated depreciation	(172)	-
Equipment, net	1,549	-
Capitalized software	149,582	149,582
Less accumulated amortization	(139,609)	(109,693)
Capitalized software, net	9,973	39,889
<b>TOTAL ASSETS</b>	<b>\$ 367,444</b>	<b>\$ 423,005</b>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>		
Accounts payable	\$ -	\$ 1,300
Accrued payroll liabilities	17,551	12,412
Accrued interest	8,471	4,177
Note payable - current portion	1,929	312
Fiscal sponsor liability	114,114	33,058
Allocations payable	102,933	143,000
Total Current Liabilities	244,998	194,259
<b>Long Term Liabilities</b>		
Note payable	148,071	149,688
<b>Total Liabilities</b>	393,069	343,947
<b>Net Assets</b>		
Without donor restrictions	(25,625)	79,058
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 367,444</b>	<b>\$ 423,005</b>

*See accompanying notes and independent auditors' report*

Community Shares of Mid Ohio

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

For the Years Ended June 30, 2022 and 2021

	2022	2021 Restated
<b>Net Assets Without Donor Restrictions</b>		
<b>Operating Revenue and Support:</b>		
Membership fees	\$ 125,335	\$ 162,429
Contributions	87,931	139,301
Annual fees	1,010	1,900
Annual dues	16,250	15,370
Application fees	2,250	1,250
Program income	6,736	7,232
Miscellaneous income	-	1,990
Government grant	5,000	38,730
Grant income	173,463	66,478
Donated facilities, goods and services	23,887	21,900
Total operating revenue and support	441,862	456,580
<b>Operating Expenses:</b>		
Program services	414,249	336,409
Social enterprise	37,072	31,561
Fundraising	19,795	12,710
Management and general	70,754	62,683
Total operating expenses	541,870	443,363
<b>CHANGES IN NET ASSETS FROM OPERATIONS</b>	(100,008)	13,217
<b>Other Changes in Net Assets:</b>		
Interest and dividend income	1,931	929
Unrealized gain (loss) from investments	(6,606)	7,187
Workplace contributions	419,743	543,927
Distributions to agencies	(419,743)	(543,927)
Total other changes in net assets	(4,675)	8,116
<b>TOTAL CHANGES IN NET ASSETS</b>	(104,683)	21,333
<b>Net Assets, Beginning of Year</b>	79,058	57,725
<b>Net Assets, End of Year</b>	\$ (25,625)	\$ 79,058

*See accompanying notes and independent auditors' report*

Community Shares of Mid Ohio

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2022

	Program Services	Social Enterprise	Fundraising	Management & General	Total
Salaries and wages	\$ 128,522	\$ -	\$ 6,676	\$ 31,713	\$ 166,911
Payroll taxes	12,623	-	656	3,115	16,394
Employee benefits	18,191	-	945	4,489	23,625
Insurance	5,220	-	243	729	6,192
Rent	14,400	-	900	2,700	18,000
Telephone and internet	14,577	-	521	1,562	16,660
Professional fees	142,329	6,053	-	23,979	172,361
Donation to other agencies	3,000	-	-	-	3,000
Travel and meetings	483	64	2	7	556
Campaign expense	7,855	-	2	7	7,864
Events	25,590	-	9,261	-	34,851
Training	698	87	44	131	960
Dues and subscriptions	4,028	129	225	676	5,058
Licenses and permits	-	810	-	567	1,377
Office supplies	1,122	-	70	210	1,402
Program supplies	30,092	-	-	-	30,092
Interpreting services	156	-	-	39	195
Interest expense	3,435	-	215	644	4,294
Bank service charges	1,060	11	-	82	1,153
Postage and printing	731	2	26	78	837
Depreciation	137	-	9	26	172
Amortization	-	29,916	-	-	29,916
<b>Total Functional Expenses</b>	<b>\$ 414,249</b>	<b>\$ 37,072</b>	<b>\$ 19,795</b>	<b>\$ 70,754</b>	<b>\$ 541,870</b>

See accompanying notes and independent auditors' report

Community Shares of Mid Ohio

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2021

	Program Services	Social Enterprise	Fundraising	Management & General	Total
Salaries and wages	\$ 137,106	\$ -	\$ 8,569	\$ 25,707	\$ 171,382
Payroll taxes	13,078	-	817	2,452	16,347
Employee benefits	18,900	-	1,181	3,544	23,625
Insurance	4,397	-	229	688	5,314
Rent	19,400	-	900	2,700	23,000
Telephone and internet	7,845	-	432	1,296	9,573
Professional fees	96,882	-	-	23,342	120,224
Donation to other agencies	500	-	-	-	500
Campaign expense	712	1,000	-	-	1,712
Events	12,285	-	-	-	12,285
Training	1,184	-	74	222	1,480
Dues and subscriptions	3,881	250	243	728	5,102
Licenses and permits	-	350	-	600	950
Office supplies	2,485	45	48	145	2,723
Meeting space	2,500	-	-	-	2,500
Program supplies	5,139	-	-	-	5,139
Interpreting services	144	-	-	36	180
Interest expense	3,341	-	209	627	4,177
Bank service charges	503	-	-	573	1,076
Postage and printing	119	-	8	23	150
Bad debt	6,008	-	-	-	6,008
Amortization	-	29,916	-	-	29,916
<b>Total Functional Expenses</b>	<b>\$ 336,409</b>	<b>\$ 31,561</b>	<b>\$ 12,710</b>	<b>\$ 62,683</b>	<b>\$ 443,363</b>

See accompanying notes and independent auditors' report



**Community Shares of Mid Ohio**

**STATEMENTS OF CASH FLOWS**

**For the Years Ended June 30, 2022 and 2021**

	<b>2022</b>	<b>2021 Restated</b>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (104,683)	\$ 21,333
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	172	-
Amortization	29,916	29,916
Unrealized (gain) loss on investments	6,606	(7,187)
(Increase) decrease in operating assets:		
Fiscal sponsor funds	(81,056)	(17,219)
Accounts receivable	(8,250)	-
Due from member agencies	-	7,731
Prepaid expenses	280	(522)
Increase (decrease) in operating liabilities:		
Accounts payable	(1,300)	1,300
Accrued payroll liabilities	5,139	4,980
Accrued interest	4,294	4,177
Fiscal sponsor liabilities	81,056	(33,057)
Allocations payable	(40,067)	12,592
Net cash provided (used) by operating activities	(107,893)	24,044
<b>Cash Flows from Investing Activities</b>		
Purchase of property & equipment	(1,721)	-
Payments for the purchase of marketable securities	(1,930)	(929)
Net cash provided (used) by investing activities	(3,651)	(929)
<b>Cash Flows from Financing Activities</b>		
Proceeds from note payable	-	100
Net cash provided (used) by financing activities	-	100
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(111,544)	23,215
Cash and Cash Equivalents, beginning of year	305,101	281,886
Cash and Cash Equivalents, end of year	\$ 193,557	\$ 305,101

*See accompanying notes and independent auditors' report*

## Community Shares of Mid Ohio

### Notes to the Financial Statements June 30, 2022 and 2021

#### Note 1: Nature of Activities

Community Shares of Mid Ohio (“Community Shares”), a not-for-profit corporation, is a collective of locally based public charities established to collaboratively raise funds for the benefit of its members. Community Shares, which consists of nearly 70 charities, builds mutually beneficial relationships and secures resources to empower member nonprofits in Central Ohio.

The organization receives much of its support from membership fees, which are generated from a percentage of funds obtained through worksite campaigns. The majority of funds are passed through Community Shares and distributed to its member agencies. Approximately 88% and 83% of the organization’s support and distributions for the years ended June 30, 2022 and 2021, respectively, were raised through contributions from two worksite campaigns.

#### Note 2: Summary of Significant Accounting Policies

##### **Basis of Presentation**

The financial statements of Community Shares have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, which require Community Shares to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: 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 Community Shares’ management and the board of trustees.

Net assets with donor restrictions: 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 Community Shares or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds to be maintained in perpetuity.

##### **Revenue Recognition**

Community Shares’ primary sources of revenue consist of the following:

##### **Membership Fees and Annual Dues**

Revenue from membership fees is recognized when it is earned and realizable, usually when received. Revenue from annual dues is recognized when invoiced to member agencies.

##### **Contributions**

All contributions are considered available for Community Shares’ general programs unless specifically restricted by the donor. 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 statements of activities.

## Community Shares of Mid Ohio

### Notes to the Financial Statements June 30, 2022 and 2021

#### Note 2: Summary of Significant Accounting Policies (Continued)

##### **Revenue from Contracts with Customers**

Revenue from contracts with customers is recorded on the accrual basis of accounting and is derived from annual dues and application fees. All of the Organization's revenue from contracts with customers is from performance obligations satisfied over time and is derived from contracts with an initial expected duration of one year or less. Prices are specific to distinct performance obligations and do not consist of multiple transactions.

##### **Donated Facilities, Goods and Services**

Contributions of noncash assets are recorded at their fair values at the dates of donation. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received. Facilities that are donated are recognized as revenue and expense and discussed in detail in Note 15.

##### **Pass-Through Funds**

Worksite campaign contributions are allocated when received between pass-through funds to member agencies and membership fees that allow Community Shares to fund its ongoing operations. Pass-through funds to member agencies are recorded as allocations payable on the Statement of Financial Position. Payments to agencies are compiled quarterly and usually distributed to member agencies no later than 30 days after the end of each quarter. These funds are allocated to member agencies according to the proportion of total designated pledges each agency receives in each worksite campaign.

##### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

##### **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash and money-market funds. Community Shares considers investments available for current use with an initial maturity of three months or less to be cash equivalents.

##### **Accounts Receivable**

Receivables consist of amounts for contributions and annual dues. Contributions are recognized when the conditions on which they depend are substantially met. Contributions sent by worksite campaigns and others during the period that are received after year-end are recognized as revenue and as receivables. Pledges that are expected to be collected within one year are recorded at net realizable value upon receipt of the promise. Unconditional promises to give that are expected to be collected in future years are recorded at fair value at the time of the donation.

## Community Shares of Mid Ohio

### Notes to the Financial Statements June 30, 2022 and 2021

#### Note 2: Summary of Significant Accounting Policies (Continued)

##### **Accounts Receivable (Continued)**

Community Shares considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

##### **Investments – Securities**

Community Shares carries its investment securities at their fair values based on quoted prices in active markets (all Level 1 measurements) and classifies them as current assets on the Statements of Financial Position. Net unrealized gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donor stipulation.

##### **Equipment and Capitalized Software**

Equipment is recorded at cost if acquired or at estimated fair value if donated. Depreciation is computed under the straight-line method over the estimated useful life of five years. Amounts over \$600 are capitalized and depreciated.

The software costs are amortized using the straight-line method over the estimated useful life of five years.

##### **Accrued Payroll Liabilities**

Accrued payroll liabilities consist of vacation leave and wages. Community Shares accrues unused vacation leave in accordance with the organization's personnel policy. The liability has been charged to wages expense for purposes of cost allocation.

##### **Expense Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Salaries and related expenses are allocated on the basis of estimates of time and effort. Insurance, rent, telephone and internet, training, dues and subscriptions, office supplies, interpreting services, interest expense and postage and printing are allocated based on an estimate of usage.

##### **Advertising Expense**

Community Shares uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising expense for the years ended June 30, 2022 and 2021 totaled \$7,864 and \$1,712 respectively, and is included as part of campaign expense on the statements of functional expenses.

## Community Shares of Mid Ohio

### Notes to the Financial Statements June 30, 2022 and 2021

#### Note 2: Summary of Significant Accounting Policies (Continued)

##### Income Tax Status

Community Shares is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The organization is classified as an organization other than a private foundation under Section 509(a)(1) of the Code and qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi).

Income from certain activities not directly related to Community Shares' tax-exempt purpose is subject to taxation as unrelated business income. As of June 30, 2022, Community Shares has a net operating loss carryforward for tax purposes of \$50,093 available to offset unrelated business income. The organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Community Shares files its Form 990, *Return of Organization Exempt from Income Tax*, with the Internal Revenue Service, and registers annually as a charitable trust with the Ohio Attorney General's office. The organization's tax returns for the fiscal years ended 2022 and 2021 are subject to examination by the IRS, generally for three years after they were filed.

#### Note 3: Concentrations of Credit Risk

Community Shares maintains its operating cash accounts at financial institutions in Central Ohio. All funds are kept in interest-bearing accounts and are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 at each institution. At various times, the organization will have balances that exceed the FDIC limit.

#### Note 4: Cash and Cash Equivalents

Cash and cash equivalents as of June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Operating account	\$ 192,555	\$ 304,101
Savings account	<u>1,002</u>	<u>1,002</u>
Total cash and cash equivalents	<u>\$ 193,557</u>	<u>\$ 305,101</u>

#### Note 5: Fiscal Sponsor Funds

Fiscal sponsor funds are held by Community Shares on behalf of other entities and are disbursed only upon instructions from such entities. The amounts of fiscal sponsor funds held for other parties and not commingled by Community Shares totaled \$114,114 and \$33,058 as of June 30, 2022 and 2021, respectively, and are reflected in both current assets and current liabilities in the statement of financial position.

## Community Shares of Mid Ohio

### Notes to the Financial Statements June 30, 2022 and 2021

#### Note 6: Accounts Receivable

Receivables as of June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Annual dues receivable	\$ 8,500	\$ 5,250
Contributions receivable	5,000	-
Total accounts receivable	<u>\$13,500</u>	<u>\$ 5,250</u>

#### Note 7: Investments

Investments consist of mutual funds. Market risk could occur and is dependent on the future changes in market prices of the various investments held. An analysis of the investments not classified as cash equivalents and held at June 30, 2022 and 2021 are as follows:

	<u>2022</u> <u>Fair Value</u>	<u>2021</u> <u>Fair Value</u>
Mutual funds	\$ 33,987	\$ 38,663

#### Note 8: Equipment and Capitalized Software

During 2022, Community Shares acquired a laptop. Depreciation amounted to \$172 for the year ended June 30, 2022 for the laptop.

During 2018, Community Shares purchased internally developed software for its Social Enterprise program. Amortization expense for the years ended June 30, 2022 and 2021 was \$29,916. Amortization expense is \$9,972 next year.

#### Note 9: Accrued Payroll Liabilities

Accrued payroll liabilities as of June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Accrued wages payable	\$ 1,119	\$ 1,349
Accrued vacation payable	16,432	11,063
Total accrued payroll liabilities	<u>\$ 17,551</u>	<u>\$ 12,412</u>

**Community Shares of Mid Ohio**

**Notes to the Financial Statements  
June 30, 2022 and 2021**

**Note 10: Fair Value of Financial Instruments**

The following methods and assumptions were used by the organization in estimating the fair value of its financial instruments:

Cash and cash equivalents and fiscal sponsor funds – The carrying amount reported on the Statements of Financial Position approximates fair value because of the short maturity of those instruments.

Mutual funds – The fair value of the organization’s mutual funds, which invests in marketable equity and debt securities, is based on quoted market prices.

**Note 11: Fair Value Measurements**

The fair values of assets measured at June 30, 2022 are as follows:

<u>Description</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level I)</u>
Cash and cash equivalents	\$ 193,557	\$ 193,557
Fiscal sponsor funds	114,114	114,114
Mutual funds	<u>33,987</u>	<u>33,987</u>
	<u><b>\$ 341,658</b></u>	<u><b>\$ 341,658</b></u>

The fair values of assets measured at June 30, 2021 are as follows:

<u>Description</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level I)</u>
Cash and cash equivalents	\$ 305,101	\$ 305,101
Fiscal sponsor funds	33,058	33,058
Mutual funds	<u>38,663</u>	<u>38,663</u>
	<u><b>\$ 376,822</b></u>	<u><b>\$ 376,822</b></u>

Community Shares recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended June 30, 2022 and 2021, respectively.

## Community Shares of Mid Ohio

### Notes to the Financial Statements June 30, 2022 and 2021

#### Note 12: Note Payable

Under the Economic Injury Disaster Loan (“EIDL”), a pre-existing Small Business Administration (“SBA”) loan program, Community Shares received a \$150,000 loan on June 15, 2020. The funds were provided by the SBA loan program in response to the economic disruption due to the outbreak of COVID-19. EIDL funds can be used to pay business expenses such as payroll, benefits, rent, mortgage and general overhead but cannot be used for expenses that are compensated by other sources. The loan is payable over 30 years with an interest rate of 2.75% and monthly payments of \$641. The first payment is due December 15, 2022. The loan is collateralized by property Community Shares now owns or acquires and shall not transfer any collateral without the prior written consent of SBA. Accrued interest on the loan was \$8,471, and \$4,177 for the years ended June 30, 2022 and 2021, respectively.

Future scheduled maturities of long-term debt for years ending June 30 are as follows:

2023	\$	1,929
2024		3,379
2025		3,473
2026		3,570
2027		3,670
Thereafter		133,979
	\$	<u>150,000</u>

#### Note 13: Line of Credit

Community Shares secured a \$75,000 line of credit (LOC) with WesBanco Bank, Inc. on May 5, 2021 for general business purposes. The LOC is due on demand and, if no demand, on May 5, 2027. Draws on the LOC bear interest at prime rate (currently 4.28%) plus a margin of 2.25 percentage points. Interest payments for 36 months are due on the unpaid principal balance beginning June 5, 2021. Beginning June 5, 2024, monthly principal and interest payments of \$2,268 are due for 35 months. One final payment of \$2,268 is due on May 5, 2027 if all payments were made as scheduled and the prime rate does not change. Otherwise, the final payment will be for all principal and accrued interest not yet paid. Prepayment penalty on the LOC is \$250 if refinanced within the first 36 months of the term of the note. Except for the foregoing, Community Shares may pay all or a portion of the amount owed earlier than it is due. The loan is unsecured. No funds were drawn on the LOC as of June 30, 2022 and 2021.

#### Note 14: Government Grant

On February 11, 2021, Community Shares received loan proceeds in the amount of \$31,730 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“Cares Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable during the 8 to 24 week covered period following loan disbursement as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels.



## Community Shares of Mid Ohio

### Notes to the Financial Statements June 30, 2022 and 2021

#### **Note 14: Government Grant (Continued)**

Community Shares used the proceeds for purposes consistent with the PPP and, in fiscal year 2021, believed it substantially met all the conditions for forgiveness of the loan. Therefore, under ASC 958-605 Not-for-Profit Entities: Revenue Recognition, the proceeds are recorded as a government grant in the Statement of Activities and Changes in Net Assets for the year ended June 30, 2021. Community Shares was granted forgiveness of the PPP loan on February 16, 2022.

Community Shares received targeted EIDL advances through the SBA of \$7,000 in April 2021 and \$5,000 in July 2021. The advances do not need to be repaid.

#### **Note 15: Donated Facilities, Goods and Services**

Community Shares occupies office space provided by LifeCare Alliance at 1699 W. Mound St., Columbus, OH 43223. Community Shares is not charged for use of these facilities. The fair value of this office space was \$18,000 for each of the years ended June 30, 2022 and 2021, and is recorded in donated facilities, goods and services and in rent expense on the statements of activities and changes in net assets and statements of functional expenses. The agreement for the office space is in effect through December 31, 2022 and is then subject to negotiation for a further period.

Donated accounting services, amounted to \$2,000 and \$3,900 for the years ending June 30, 2022 and 2021, respectively, are recorded at fair value and included in donated facilities, goods and services and in professional fees on the statements of activities and changes in net assets and statements of functional expenses.

A laptop, donated in 2022, with a fair market value of \$1,721 is included in donated facilities, goods and services on the statements of activities and in equipment on the statement of financial position.

Donations for a fundraiser held in 2022 included goods and services totaling \$2,166 and is included in donated facilities, goods and services on the statements of activities and in events in the statement of functional expenses.

#### **Note 16: Retirement Plan**

Community Shares has a defined contribution plan covering all employees who meet the eligibility requirements. The organization's contributions to the plan have been determined by the Board of Trustees. Contributions to the plan, included in employee benefits on the statements of functional expenses, were \$5,625 for each of the years ended June 30, 2022 and 2021.

## Community Shares of Mid Ohio

### Notes to the Financial Statements June 30, 2022 and 2021

#### Note 17: Liquidity and Availability of Financial Assets

Community Shares has financial assets available for use within one year from the statements of financial position dates as follows:

<b>Financial assets at year-end:</b>	<b><u>2022</u></b>	<b><u>2021</u></b>
Cash and cash equivalents	\$193,557	\$305,101
Accounts receivable	13,500	5,250
Investments - securities	33,987	38,663
<b>Total financial assets</b>	<b><u>\$241,044</u></b>	<b><u>\$349,014</u></b>

Generally, the goal of Community Shares is to maintain financial assets to be able to meet its general operating expenditures. Currently, operating expenditures for a 90-day period amount to approximately \$128,000.

#### Note 18: Restatement of Financial Statements

During 2022, Community Shares determined that fiscal sponsor liability was understated in prior years. Accordingly, Community Shares restated its financial statements for the year ended June 30, 2021. The effect of the correction was to increase fiscal sponsor liability and decrease net assets without donor restrictions by \$50,276.

#### Note 19: Recent Accounting Pronouncements

In February 2016, the FASB issued amended guidance on lease accounting which requires an entity to recognize a right-of-use asset and a corresponding lease liability on its balance sheet for virtually all of its leases with a term of more than 12 months, including those classified as operating leases. Both the asset and liability will initially be measured at the present value of the future minimum lease payments, with the asset being subject to adjustments such as initial direct costs. Consistent with current U.S. GAAP, the presentation of expenses and cash flows will depend primarily on the classification of the lease as either a finance or an operating lease. The new standard also requires additional quantitative and qualitative disclosures regarding the amount, timing and uncertainty of cash flows arising from leases in order to provide additional information about the nature of an organization's leasing activities. This amended guidance, which will be effective beginning July 1, 2022, requires modified retrospective application, with early adoption permitted. Community Shares is currently evaluating the impact this standard will have on the financial statements.

#### Note 20: Subsequent Events

Community Shares has evaluated subsequent events through October 5, 2022, the date which the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

Community Shares of Mid Ohio

Schedule of Distributions to Member Agencies  
from Worksite Campaign Contributions  
For the year ended June 30, 2022

<u>Member Agency</u>	<u>Distribution</u>
Planned Parenthood of Greater Ohio	\$ 66,319
Columbus Humane Society	59,932
Cat Welfare	48,794
Stop the Suffering	28,495
Habitat for Humanity	14,677
Community Refugee & Immigration Services	13,315
LifeCare Alliance	11,838
Children's Hunger Alliance, Inc.	11,825
Equitas Health	11,326
Community Kitchen	11,077
NARAL Pro Choice Ohio Foundation	10,767
CASA of Franklin County	9,820
Ohio Domestic Violence Network	9,761
Coalition on Homelessness and Housing	9,505
Kaleidoscope	9,171
Stonewall Columbus	8,273
Neighborhood Services	6,778
Rescued Ohio	6,240
WCBE Radio	5,718
Patches of Light	5,557
Dreams on Horseback	4,916
Children's Defense Fund	4,877
Columbus Coalition for the Homeless	4,673
COSI	4,659
Hocking.Athens.Perry Community Action	4,651
Healthy Worthington Resource Center	4,385
Heart of the City	3,474
King Arts Complex	3,322
Get Behind the Badge	3,178
Humane Society of Delaware County	2,949
Furniture Bank of Central Ohio	2,864
Local Matters	2,853
Ohio Environmental Council	2,798
Ohio Alliance for Arts Education	2,720
Deaf Services Center	2,372
Yay Bikes	2,298
NNEMAP	2,207
Ohio Access to Justice Foundation	2,070
Teens Hopeful About Tomorrow	1,774
VOICEcorp	1,728

See accompanying notes and independent auditors' report

Community Shares of Mid Ohio

Schedule of Distributions to Member Agencies  
from Worksite Campaign Contributions  
For the year ended June 30, 2022

<u>Member Agency</u>	<u>Distribution</u>
Equality Ohio	1,673
Advocates for Basic Legal Equality, Inc.	1,565
Four Seasons City Farm	1,456
Childhood League	1,368
ASHA Ray of Hope	1,241
The Breathing Association	1,030
Ohio Ecological Food and Farm Association	1,018
Camp Wyandot	963
Life Beyond the Streets	938
Central Ohio Green Education Fund	856
Help for Homelessness and Beyond	757
American Council of the Blind - Ohio	756
Future Possibilities, Inc.	702
Columbus Historical Society	643
ModCon Living	595
Sisters of Empowerment	429
Glass Axis	356
Ohio Now Education and Legal Fund	304
Simply Living	253
Humane County of Madison County	240
Tech Corps Ohio	222
Creative Living	203
Employment for Seniors	129
Lifeline Christian Mission	121
Columbus Architecture Foundation	119
Career Transition Institute	69
Advocacy & Protective Services, Inc.	65
Animal Protection Network	26
People Like Me Project Inc	20
Youth Yoga Project	16
	<u>\$ 442,089</u>

See accompanying notes and independent auditors' report

## Community Shares of Mid Ohio

### Notes to the Additional Information For the year ended June 30, 2022

#### **Note 1: Basis of Presentation**

##### **Schedule of Distributions**

The accompanying Schedule of Distributions to Member Agencies from Worksite Campaign Contributions (“Schedule of Distributions”) consists of all workplace contributions that were distributed during the year ended June 30, 2022. The Schedule includes distributions previously allocated to agencies no longer in existence and distributions reissued to agencies that misplaced initial payment.

Worksite campaign contributions are compiled quarterly and usually distributed to member agencies no later than 30 days after the end of each quarter.

#### **Note 2: Summary of Significant Accounting Policies**

The distributions in the Schedule have been prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Contributions recognized as received are classified in the audited financial statements within allocations payable on the Statement of Financial Position as of June 30, 2022.