

**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

*Prepared by:  
Hunt Consulting, P.C.  
Certified Public Accountants*

**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.**

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HUNT CONSULTING, PC  
— CPAs and Tax Advisors —

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Atlanta Center For Self Sufficiency, Inc.

We have audited the accompanying financial statements of Atlanta Center For Self Sufficiency, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Atlanta Center For Self Sufficiency, Inc. as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Hunt Consulting, PC*

Atlanta, GA  
September 5, 2017

**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2016**

	<b>2016</b>
<b>Assets</b>	
<b>Current Assets:</b>	
Cash and cash equivalents	\$ 145,976
Accounts and grants receivable (Note 3)	57,970
Promises to give - short-term (Note 4)	1,250
Marketable securities	1,052
Prepays and other assets	15,569
Total current assets	221,817
Property and equipment, at cost:	
Leasehold improvements	9,375
Furniture and fixtures	101,276
Office equipment	197,128
Vehicles	12,455
Total fixed assets	320,234
Less---accumulated depreciation and amortization	(311,422)
	8,812
<b>Total Assets</b>	<b>\$ 230,629</b>
<b>Liabilities and Net Assets</b>	
<b>Current Liabilities:</b>	
Accounts payable and accrued liabilities	\$ 88,710
Payroll and related liabilities	399
Unearned revenues	4,587
Line of credit (Note 8)	150,000
Term loan (Note 9)	70,000
Total current liabilities	313,696
<b>Total Liabilities</b>	<b>313,696</b>
<b>Net Assets</b>	
Unrestricted	(83,067)
Total Net Assets	(83,067)
<b>Total Liabilities and Net Assets</b>	<b>\$ 230,629</b>

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

**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2016**

	<b>2016 Total</b>
<b>Support and Revenue</b>	
<b>Support</b>	
Foundations	\$ 208,398
Corporate contributions	73,501
United Way	66,229
Other support	169,951
Total Support	518,079
 <b>Revenues</b>	
Government grants and contracts	359,311
Program income	80,829
Total Revenues	440,140
Total Support and Revenue	958,219
 <b>Expenses</b>	
Program services	632,867
Supportive services:	
Management	232,868
Fundraising	6,859
Total Expenses	872,594
 <b>Change In Net Assets</b>	85,625
 <b>Net Assets, Beginning of Year</b>	(196,139)
<b>Prior Period Adjustments (Note 10)</b>	27,447
<b>Net Assets, End of Year</b>	\$ (83,067)

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

**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2016**

	<b>2016</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>	
Change in net assets	\$ 85,625
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	4,256
Change in operating assets and liabilities	
(Increase) Decrease in:	
Grants and accounts receivable	(9,471)
Promises to give	20,000
Prepaid and other assets	(1,193)
Increase (Decrease) in:	
Accounts payable and accrued liabilities	(22,684)
Payroll and related liabilities	(5,891)
<b>Net Cash (Used) Provided By Operating Activities</b>	<b>70,642</b>
<b>Net Increase (Decrease) In Cash</b>	70,642
<b>Cash at Beginning of Year</b>	<b>75,334</b>
<b>Cash at End of Year</b>	<b>\$ 145,976</b>

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

**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended December 31, 2016**

	<u>Program Services</u>				Total <u>Program</u>	<u>Supporting Services</u>		
	<u>Employment Readiness</u>	<u>Weekend Brunch</u>	<u>Rapid Rehousing</u>	<u>Veterans</u>		<u>Management</u>	<u>Fund Raising</u>	<u>Total</u>
Personnel expenses								
Salaries and benefits	\$ 232,307	\$ 20,437	\$ 35,765	\$ 97,078	\$ 385,587	\$ 125,348	\$ -	\$ 510,935
Volunteer expenses	-	-	-	-	-	194	-	194
Total personnel expenses	<u>232,307</u>	<u>20,437</u>	<u>35,765</u>	<u>97,078</u>	<u>385,587</u>	<u>125,542</u>	<u>-</u>	<u>511,129</u>
Operating expenses								
Food	-	32,902	-	-	32,902	-	-	32,902
Rental expense	7,500	-	-	7,200	14,700	19,713	-	34,413
Direct client costs	19,718	163	42,191	72,249	134,321	2,000	-	136,321
Bank fees	147	-	10	-	157	5,319	-	5,476
Board expenses	-	31	-	-	31	1,538	-	1,569
Stipends	5,075	-	-	-	5,075	-	-	5,075
Dues and subscriptions	840	2,566	-	350	3,756	1,247	1,416	6,419
Education and training	1,400	-	-	-	1,400	1,275	-	2,675
Staff appreciation	56	-	-	-	56	2,917	-	2,973
Insurance	7,007	-	-	-	7,007	6,943	-	13,950
Technology and support	185	-	-	-	185	1,121	17	1,323
Marketing	-	-	-	-	-	-	3,857	3,857
Meals and entertainment	531	-	-	-	531	546	-	1,077
Office and other supplies	1,236	-	-	1,173	2,409	671	29	3,109
Printing and postage	-	-	-	-	-	987	-	987
Professional fees	11,250	-	-	-	11,250	8,769	-	20,019
Maintenance and repairs	7,186	-	-	94	7,280	3,159	-	10,439
Equipment rental	7,704	595	-	-	8,299	3,785	1,540	13,624
Staff mileage and travel	-	-	-	-	-	302	-	302
Utilities	16,521	1,400	-	-	17,921	23,704	-	41,625
Interest and penalties	-	-	-	-	-	11,552	-	11,552
Depreciation	-	-	-	-	-	4,256	-	4,256
Other	-	-	-	-	-	7,522	-	7,522
Total operating expenses	<u>86,356</u>	<u>37,657</u>	<u>123,267</u>	<u>81,066</u>	<u>247,280</u>	<u>107,326</u>	<u>6,859</u>	<u>361,465</u>
Total expenses	<u>\$ 318,663</u>	<u>\$ 58,094</u>	<u>\$ 159,032</u>	<u>\$ 178,144</u>	<u>\$ 632,867</u>	<u>\$ 232,868</u>	<u>\$ 6,859</u>	<u>\$ 872,594</u>

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

**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

NOTE 1: NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Atlanta Center For Self Sufficiency, Inc. (Organization) was formed on May 1, 2010, as the result of the merger of Atlanta Enterprise Center, Inc. and Samaritan House of Atlanta, Inc. Its mission is to empower homeless individuals in the greater Atlanta community to achieve economic self sufficiency and their ultimate potential to thrive in life

The Organization is supported primarily through donor contributions, federal and state grants, and the United Way. The program services provided by the Organization are as follows:

**Job Readiness Services —**

**Career Works** offers employment readiness and job placement to homeless individuals. CareerWorks includes a three-week employment readiness training course, personalized case management, job search assistance, professional clothing, transportation assistance, housing placement assistance and individual action plans. CareerWorks Access is an e-learning initiative that uses cloud technology to stream CareerWorks curriculum to shelters and homeless service programs throughout the city.

**Veterans Employment Assistance Program** is a specialized initiative serving homeless veterans. Participants receive the same services as CareerWorks, in addition to access to specialized vocational training.

**Life Stabilization Services —**

**Rapid Rehousing** provides financial housing assistance to homeless individuals and families facing imminent loss of shelter.

**Social Enterprises —**

**Café 458 Sunday Brunch** opens on Sunday to the public as a full-functioning restaurant.

**Marta Program** – ACSS distributes half-price MARTA tokens to nonprofit agencies working with homeless persons.

Revenue

The Organization recognizes contract revenue received from grants and contracts on a pro-rata basis over the award period, or to the extent of designated expenses.

Donated Assets

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation.



**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial Statements Presentation

The organization prepares its financial statements in accordance with Statements of Financial Accounting Standards (SFAS) 117, "Financial Statements of Not-for-profit Organizations". Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. No temporarily or permanently restricted assets were held as of December 31, 2016

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code.

Cash and Cash Equivalents

For purpose of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents

NOTE 2: CONCENTRATION OF CREDIT RISK

The Organization maintains cash in demand deposit accounts with federally insured banks.

NOTE 3: ACCOUNTS AND GRANTS RECEIVABLE

Accounts and grants receivable are stated at the amount management expects to collect from outstanding balances. Management has not recorded a provision for uncollectible amounts and considers all amounts collectible.

Amounts due in:	
Grants receivable	\$ 53,629
Accounts receivable	<u>4,341</u>
	<u>\$ 57,970</u>

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NOTE 4: PROMISES TO GIVE

Unconditional promises to give consist of the following:

Unrestricted contributions	<u>\$ 1,250</u>
Net unconditional promises to give	<u>\$ 1,250</u>
Amounts due in:	
One year or less	\$ 1,250
More than one year	<u>-</u>
	<u>\$ 1,250</u>

At December 31, 2016, management estimates that all promises to give are fully collectible; Therefore, no allowance for uncollectible accounts has been recorded

NOTE 5: DONATED MATERIALS, EQUIPMENT AND SERVICES

Volunteers have made significant contributions of their time to the Organization's programs and activities. These services are essential to the Organization and, if not contributed, the Organization would be required to employ individuals to perform the services. The following donated materials, equipment and services are not included in the accompanying financial statements.

	<u>Material Donations</u>	<u>Volunteer Donations</u>
Programs	<u>\$ 42,000</u>	<u>\$ 17,307</u>
	<u>\$ 42,000</u>	<u>\$ 17,307</u>

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost and depreciated on the straight line basis over the estimated useful lives of the assets generally 3 – 10 years.

NOTE 7: UNEARNED REVENUE

Unearned revenue represents contributions that have been deferred based on gift certificates sold to patrons of the Brunch Program at Café 458 but not yet redeemed by the end of the fiscal year. Gift Certificates income is recognized as earned at the time the gift certificate is redeemed.

NOTE 8: LINE OF CREDIT:

The Organization has a line of credit with the Bank of North Georgia (the Bank). The line of credit has a balance of \$150,000 and contains the following terms: interest accrues at a rate of 4.75% per annum; Interest is due monthly with the final payment of principal and accrued interest due by January 25, 2017; secured by substantially all of the Organization's inventory, equipment, and accounts receivable.

Balance outstanding at December 31, 2016	\$ 150,000
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**ATLANTA CENTER FOR SELF SUFFICIENCY, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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NOTE 9: TERM LOAN

The Organization has a term loan with the Bank of North Georgia (the Bank). The loan has a balance of \$70,000 and contains the following terms: interest accrues at a rate of 5.50% per annum; Interest is due monthly with the final payment of principal and accrued interest due by January 25, 2017; secured by the Organization's board members.

Balance outstanding at December 31, 2016	\$ 70,000
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NOTE 10: PRIOR PERIOD ADJUSTMENTS

Errors resulting in a misstatement of net assets in the Organization's previously issued financial statements have been corrected in the current year. This resulted in the following changes in net assets at December 31, 2016.

Overstatement of current liabilities	\$ <u>27,447</u>
Total	\$ <u>27,447</u>

NOTE 11: RELATED PARTY CONTRIBUTIONS

During 2016, the Organization received contributions for revenue and support in the amount of \$49,052 from members of its board of directors or from organizations for which its board members serve in a managerial capacity.