

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**FINANCIAL STATEMENTS**

**December 31, 2022**

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**Independent Auditor's Report**

**The Board of Directors  
Hispanic Resource Center of Larchmont/Mamaroneck, Inc.  
D/B/A Community Resource Center**

**Opinion**

**We have audited the accompanying financial statements of Hispanic Resource Center of Larchmont/Mamaroneck, Inc. D/B/A Community Resource Center (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and changes 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 financial statements referred to above present fairly, in all material respects, the financial position of Hispanic Resource Center of Larchmont/Mamaroneck, Inc. D/B/A Community Resource Center as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.**

**Basis for Opinion**

**We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hispanic Resource Center of Larchmont/Mamaroneck, Inc. D/B/A Community Resource Center 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 Hispanic Resource Center of Larchmont/Mamaroneck, Inc. D/B/A Community Resource Center'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.**

**Emphasis-of-Matter**

**Change in accounting principle:** As discussed in Note 2 to the financial statements, effective January 1, 2022, Hispanic Resource Center of Larchmont/Mamaroneck, Inc. D/B/A Community Resource Center adopted FASB Accounting Standards Update 2016-02, Leases (Topic 842). Our opinion is not modified with respect to this matter.

**Report on Summarized Comparative Information**

We have previously audited Hispanic Resource Center of Larchmont/Mamaroneck, Inc. D/B/A Community Resource Center's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 13, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Mount Kisco, New York  
September 14, 2023

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**STATEMENT OF FINANCIAL POSITION**

**December 31, 2022**

**(With Summarized Comparative Information as of December 31, 2021)**

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 2,884,074	\$ 2,582,396
Grants and other receivables	74,912	37,830
Investments	6,456	-
Prepaid expenses	<u>30,271</u>	<u>10,955</u>
<b>Total Current Assets</b>	<b>2,995,713</b>	<b>2,631,181</b>
<b>Fixed assets, net as accumulated depreciation</b>	<b>829,519</b>	<b>693,701</b>
Operating right-of-use assets (Note 2&6)	29,029	-
Security deposit	<u>1,000</u>	<u>1,000</u>
<b>Total Assets</b>	<b>\$ <u>3,855,261</u></b>	<b>\$ <u>3,325,882</u></b>
 <b><u>LIABILITIES AND NET ASSETS</u></b> 		
<b>Current Liabilities:</b>		
Accounts payable and accrued expenses	\$ 130,054	\$ 85,237
Operating lease liability, current portion (Note 6)	<u>7,406</u>	<u>-</u>
<b>Total Current Liabilities</b>	<b>137,460</b>	<b>85,237</b>
<b>Operating lease liability, long-term portion (Note 6)</b>	<u>24,780</u>	<u>-</u>
<b>Total Liabilities</b>	<b><u>162,240</u></b>	<b><u>85,237</u></b>
<b>Net Assets:</b>		
Without donor restrictions	2,493,868	2,125,831
With donor restrictions	<u>1,199,153</u>	<u>1,114,814</u>
<b>Total Net Assets</b>	<b><u>3,693,021</u></b>	<b><u>3,240,645</u></b>
<b>Total Liabilities and Net Assets</b>	<b>\$ <u>3,855,261</u></b>	<b>\$ <u>3,325,882</u></b>

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

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**STATEMENT OF ACTIVITES AND CHANGES IN NET ASSETS**

**For the Year Ended December 31, 2022**

**(With Summarized Comparative Information for the Year Ended December 31, 2021)**

	<u>2022</u>			<u>2021</u>
	<u>Without Donor</u>	<u>With Donor</u>	<u>Total</u>	
	<u>Restrictions</u>	<u>Restrictions</u>	<u>Total</u>	
<b>Revenues:</b>				
Contributions (Note 12)	\$ 815,148	\$ 650,973	\$ 1,466,121	\$ 2,825,775
Contributions - noncash	114,250		114,250	101,960
Government grants		470,651	470,651	202,500
Program revenue	25,618		25,618	10,527
Rental income			-	29,249
Fundraising event	367,894		367,894	21,083
Investment return, net	(316)		(316)	(1,122)
Other income	3,643		3,643	1,613
<b>Net Assets released from restrictions:</b>				
Satisfaction of program restrictions	<u>1,037,285</u>	<u>(1,037,285)</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<u>2,363,522</u>	<u>84,339</u>	<u>2,447,861</u>	<u>3,191,585</u>
<b>Expenses:</b>				
Program expenses	1,550,283		1,550,283	1,561,559
Administrative expenses	226,344		226,344	277,259
Fundraising expenses	<u>218,858</u>	<u>          </u>	<u>218,858</u>	<u>92,392</u>
<b>Total Expenses</b>	<u>1,995,485</u>	<u>          </u>	<u>1,995,485</u>	<u>1,931,210</u>
<b>Increase (decrease) in Net Assets</b>	368,037	84,339	452,376	1,260,375
<b>Net Assets, beginning of year</b>	<u>2,125,831</u>	<u>1,114,814</u>	<u>3,240,645</u>	<u>1,980,270</u>
<b>Net Assets, end of year</b>	<u>\$ 2,493,868</u>	<u>\$1,199,153</u>	<u>\$ 3,693,021</u>	<u>\$ 3,240,645</u>

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

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended December 31, 2022**

**(With Summarized Comparative Information for the Year Ended December 31, 2021)**

	<u>2022</u>				
	<u>Program</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>	<u>2021</u>
	<u>Expenses</u>	<u>Expenses</u>	<u>Expenses</u>	<u>Expenses</u>	
<b>Expenses:</b>					
<b>Personnel expenses:</b>					
Salaries	\$ 600,033	\$ 69,132	\$ 73,393	\$ 742,558	\$ 598,457
Payroll taxes and employee benefits	96,072	11,069	11,751	118,892	122,995
Professional fees and consultants (includes in-kind of \$87,600 in 2022 and \$101,960 in 2021)	288,175	98,093	36,038	422,306	453,199
Emergency assistance	334,279			334,279	361,436
Fundraising events (includes \$600 of in-kind in 2022)			92,628	92,628	6,009
Occupancy (includes \$11,475 of in-kind in 2022)	40,381	5,048	5,048	50,477	25,196
Office expenses	32,516	17,508		50,024	105,719
Scholarship expense	44,604			44,604	38,351
Subcontractor expense	41,845			41,845	116,985
Insurance	30,557	7,639		38,196	22,374
Telephone and cable	10,295	2,574		12,869	14,772
Lease expense	3,850	3,851		7,701	7,409
Repairs and maintenance	5,948			5,948	8,594
Training, conferences and travel	3,586	398		3,984	4,381
Program supplies & expenses	3,038			3,038	12,446
Dues and subscriptions	2,855			2,855	2,200
Interest expense				-	4,337
Depreciation	<u>12,249</u>	<u>11,032</u>		<u>23,281</u>	<u>26,350</u>
<b>Total Expenses</b>	<b>\$ <u>1,550,283</u></b>	<b>\$ <u>226,344</u></b>	<b>\$ <u>218,858</u></b>	<b>\$ <u>1,995,485</u></b>	<b>\$ <u>1,931,210</u></b>

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



**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**STATEMENT OF CASH FLOWS**

**For the Year Ended December 31, 2022**

**(With Summarized Comparative Information for the Year Ended December 31, 2021)**

	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities:</b>		
Increase (decrease) in Net Assets	\$ 452,376	\$ 1,260,375
<b>Adjustments to reconcile increase (decrease) in Net Assets to net cash provided (used) by operating activities:</b>		
Depreciation	23,281	26,350
Donated vehicle	(14,575)	-
Donated stock	(16,038)	-
Realized/unrealized (gain) loss on investments	655	-
Amortization of operating right-of-use assets	6,562	-
Proceeds from lease incentive	3,900	-
(Increase) decrease in grants and other receivables	(37,082)	42,670
(Increase) decrease in prepaid expenses	(19,315)	8,050
Increase (decrease) in accounts payable and accrued expenses	44,817	16,690
Increase (decrease) in operating lease liabilities	(7,306)	-
Increase (decrease) in deferred revenue	-	(75,000)
	<u>437,275</u>	<u>1,279,135</u>
<b>Net cash provided (used) by operating activities</b>		
<b>Cash flow from investing activities:</b>		
Proceeds from sale of stock	8,927	-
Purchase of fixed assets	(144,524)	(47,499)
	<u>(135,597)</u>	<u>(47,499)</u>
<b>Net cash provided (used) by investing activities</b>		
<b>Cash flow from financing activities:</b>		
Repayment of mortgage loan payable	-	(260,971)
	<u>-</u>	<u>(260,971)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	301,678	970,665
<b>Cash and cash equivalents, beginning of year</b>	<u>2,582,396</u>	<u>1,611,731</u>
<b>Cash and cash equivalents, end of year</b>	\$ <u>2,884,074</u>	\$ <u>2,582,396</u>

**Supplemental disclosure of cash flow information:**

**Cash paid during the year for:**

Interest	\$ -0-	\$ 4,337
Income tax	\$ -0-	\$ -0-

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

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2022**

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**Note 1 – The Organization:**

Hispanic Resource Center of Larchmont/Mamaroneck, Inc. D/B/A Community Resource Center (the “Organization”) is a not-for-profit organization incorporated in the State of New York. The Organization provides social, economic and professional integration services in support of the local immigrant and low-income population.

**Note 2 – Significant Accounting Policies:**

a. **Basis of Accounting**

The accompanying financial statements are prepared in accordance with U.S. generally accepted accounting principles on the accrual basis of accounting.

b. **Cash and Cash Equivalents**

The Organization considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

c. **Investments**

Investments are classified as held for investment and are stated at fair market value. Realized and unrealized gains or losses and investment income are reflected within investment return, net, in the statement of activities. Securities received as donations are recorded at fair market value and are generally sold immediately.

d. **Net Assets**

The accompanying financial statements present information regarding the financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets without donor restrictions may be expended for any purpose in performing the primary objectives of the Organization and may be used at the discretion of management and the board of directors. Net assets with donor restrictions are subject to stipulations imposed by donors or grantors. Some restrictions are temporary in nature; those restrictions that will be met by the passage of time or accomplishing the purpose restriction. Other restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

e. **Volunteers**

Board members and other volunteers made significant contributions of their time to the Organization. The value of this contributed time is not reflected in these statements since it is not susceptible to objective measurement or valuation.

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2022**

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**Note 2 – Significant Accounting Policies (continued):**

**f. Functional Expense Allocations**

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. The expenses that are allocated include salaries and benefits, which are allocated on the basis of time and effort; office and occupancy which are allocated on a square-footage basis and depreciation is allocated equally between program and administrative.

**g. 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 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.

**h. Reclassifications**

Certain reclassifications may have been made to some prior year account balances in order to conform to current year presentation.

**i. Revenue Recognition**

Income from unconditional contributions is recognized when received or pledged. Conditional promises to give with measurable performance or other barriers and a right of return are not recognized until the conditions have been met. Contract and grant revenue is recognized in accordance with FASB ASC 958-605, Not-for-Profit Entities: Revenue Recognition when the conditions are fulfilled and when the contract and grant expenses are incurred. Contracts and grants receivable are stated at the amount that management expects to collect, therefore no allowance for doubtful accounts has been deemed necessary.

Program revenue is recognized in accordance with Accounting Standards Update (“ASU”) 2014-09 *Revenue from Contracts with Customers* (Topic 606) at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services.

**HISPANIC RESOURCE CENTER OF  
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D/B/A COMMUNITY RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2022

**Note 2 – Significant Accounting Policies (continued):**

**j. Income Tax Status**

The Organization is exempt from Federal and state income tax under Section 501(c)(3) of the United States Internal Revenue Code.

The Organization adopted the provision pertaining to uncertain tax positions and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Organization is generally no longer subject to income tax examination by the applicable taxing jurisdiction for periods prior to 2020.

**k. New Accounting Pronouncements**

In February 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-02, "Leases (Topic 842)" and subsequent amendments, which replaced previous lease accounting guidance in U.S. GAAP and requires lessees to recognize right-of-use assets and corresponding lease liabilities on the Statement of Financial Position for all in-scope leases with a term of greater than 12 months and requires disclosure of certain quantitative and qualitative information pertaining to an entity's leasing arrangements. The Organization adopted the requirements of the standard on January 1, 2022 but did not have any leases at that time.

**l. Leases**

The Organization's lease portfolio primarily consists of a lease for office equipment under operating leases. The Organization determines if an arrangement is a lease at inception by evaluating whether the arrangement conveys the right to use an identified asset and whether the Organization obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. Leases with an initial term of 12 months or less are not recorded on the Statement of Financial Position; the Organization recognizes expense for these leases over the lease term. For leases with an initial term in excess of 12 months, lease right-of-use assets and lease liabilities are recognized based on the present value of the future lease payments over the committed lease term at the lease commencement date. If the Organization's leases do not provide an implicit rate, the Organization uses the risk-free rate and the information available at the lease commencement date in determining the present value of future lease payments. Most leases include one or more options to renew and the exercise of renewal options. The Organization does not include renewal options in its determination of the lease term unless the renewals are deemed to be reasonably certain at lease commencement.

HISPANIC RESOURCE CENTER OF  
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D/B/A COMMUNITY RESOURCE CENTER

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

Note 2 – Significant Accounting Policies (continued):

l. Leases (continued)

Operating lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has lease agreements with lease and non-lease components. Non-lease components include variable costs incurred by the lessor related to the payment of insurance. These variable payments are expensed as incurred as variable lease costs.

m. Subsequent Events

Subsequent events have been evaluated through September 14, 2023 which is the date the financial statements were available to be issued.

Note 3 – Fair Value Measurements:

The Organization adopted the provisions pertaining to fair value measurements and disclosures which offers framework consisting of a three-tier hierarchy of inputs to be used in determining the fair market value of assets and liabilities. The following is a summary of the fair value hierarchy of inputs: *Fair value measurements based on Level 1 inputs:* Includes quoted prices in active markets for identical assets or liabilities to which the Organization has access at the measurement date. *Fair value measurement based on Level 2 inputs:* Includes inputs other than quoted market prices that are directly or indirectly observable for the assets or liability, including quoted prices in an active market for similar assets or liabilities; quoted prices in a market that is not active for the same or similar assets or liabilities; inputs other than quoted market prices that are observable for the asset or liability. *Fair value measurements based on Level 3 inputs:* Includes unobservable inputs reflecting the assumptions that a market participant would use to price the asset or liability.

The following table provides the fair value hierarchy of the Organization's financial assets as of December 31, 2022:

<u>Financial Assets</u>	<u>Level 1</u>
Common stock	\$ <u>6,456</u>

Common stocks are valued at the closing price reported on the active market on which the individual investments are traded.

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2022

**Note 4 – Liquidity and Availability:**

The Organization is substantially supported by contributions and grants and must maintain sufficient resources to meet those responsibilities to its donors. As part of the liquidity plan, the Organization has a policy to structure its financial assets to be available for its general expenditures, liabilities, and other obligations that come due.

The following represents the financial assets that are available to meet general expenditures within one year, reduced by amounts for donor-imposed restrictions or board designations:

	<u>2022</u>	<u>2021</u>
Financial Assets, at year end	\$ 2,965,442	\$ 2,620,226
Less amounts not available to be used within one year:		
Restricted by donor with purpose restrictions	(1,199,153)	(1,114,814)
Designated by board for rebuild	<u>(650,000)</u>	<u>-</u>
Financial assets available to meet general expenditures within one year	<u>\$ 1,116,289</u>	<u>\$ 1,505,412</u>

**Note 5 – Fixed Assets:**

Depreciation is recorded using the straight-line method based on the useful lives of the assets, which is estimated to be 15-30 years for building and improvements and 3 years for vehicles. Fixed assets are carried at cost, net of accumulated depreciation. These amounts do not purport to represent replacement or realizable values. Fixed assets consisted of the following:

	<u>2022</u>	<u>2021</u>
Land	\$ 150,000	\$ 150,000
Building	612,441	612,441
Improvements	192,023	47,499
Equipment	24,761	24,761
Vehicles	<u>14,575</u>	<u>-</u>
Total assets	993,800	834,701
Less: Accumulated depreciation	<u>(164,281)</u>	<u>(141,000)</u>
Total fixed assets, net	<u>\$ 829,519</u>	<u>\$ 693,701</u>

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2022**

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**Note 6 – Commitment and Contingencies:**

- a. Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalent accounts in financial institutions, which from time to time may exceed the Federal depository insurance coverage limits.
- b. Pursuant to the Organization’s contractual relationships with certain funding sources, outside agencies have the right to examine the books and records of the Organization involving transactions relating to these contracts. The accompanying financial statements make no provisions for possible disallowances. Although such possible disallowances could be substantial in amount, in the opinion of management, any actual disallowances would be immaterial.
- c. On September 2, 2021 the Organization’s community resource center and administrative offices were significantly damaged during Tropical Storm Ida which brought a destructive storm surge, high winds and heavy rainfall to the region. The Organization has relocated its operations at another location on a month-to-month lease and has begun remediation of the building which is estimated to be \$2,360,000. The Organization plans on funding these costs through insurance, a fundraising campaign and a loan. See Note 15.
- d. The Organization is obligated under an operating lease agreement for its office equipment. The components of leases for the year ended December 31, 2022 were as follows:

Operating lease expense	\$ 7,057
Short-term lease expense	21,943
Variable lease expense	<u>429</u>
<b>Total</b>	<b>\$ <u>29,429</u></b>

**Supplemental information related to operating leases:**

**Cash paid for amounts included in the measurement of lease liabilities:**

Operating cash flows from operating leases	\$ 7,800
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ROU assets obtained in exchange for new operating lease liabilities	\$ 39,490
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Weighted-average remaining operating lease terms	4.25 years
Weighted-average discount rate for operating leases	1.37%

**HISPANIC RESOURCE CENTER OF  
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D/B/A COMMUNITY RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2022

**Note 6 – Commitment and Contingencies (continued):**

Future maturities of lease liabilities are as follows:

2023	\$ 7,800
2024	7,800
2025	7,800
2026	7,800
2027	<u>1,950</u>
Total	33,150
Less present value discount	<u>(964)</u>
Total lease liability	32,186
Less current portion	<u>(7,406)</u>
Long-term lease liabilities	\$ <u>24,780</u>

**Note 7 – Mortgage Payable:**

The Organization purchased property located at 134 Center Avenue, Mamaroneck, NY in May 2015 for \$750,000. The purchase price was partially financed by a \$375,000 mortgage from the seller. On June 1, 2021, the Organization made a final mortgage payoff in the amount of \$253,161.

**Note 8 – Government Grants:**

During 2022, the Organization received grants in the amount of \$274,425 from Westchester County, \$15,000 from the Town of Mamaroneck and \$181,227 from NYS Department of Labor. The Organization's management represents that the funds were spent in compliance with the agreements and did not replace funds previously provided from another source nor contributed to any surplus.

**Note 9 – In-Kind Contribution of Donated Services and Rent:**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. During the year ended December 31, 2022 and 2021, the Organization received in-kind teachers' time of 1,972 and 2,044 hours and other professional services valued at \$88,200 and \$101,960, respectively. This donated professional time has been recorded as contributions revenue and as professional fees expenses in the accompanying financial statements.



**HISPANIC RESOURCE CENTER OF  
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D/B/A COMMUNITY RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2022

**Note 9 – In-Kind Contribution of Donated Services and Rent (continued):**

The Organization received donated space for its programs and acknowledges the fair market value of donated rent of \$11,475 in 2022 as unrestricted support with a corresponding amount reported as rent expenses. Additionally, the Organization received a donated van valued at \$14,575 in 2022.

**Note 10 – Simple IRA Plan:**

The Organization adopted a Flexible 401K Profit Sharing Plan for all employees who meet certain eligibility requirements. The Organization matches employee contributions up to a maximum of 3% of annual salary. The Organization made matching contributions of \$10,587 and \$10,177 for the year ended December 31, 2022 and 2021, respectively.

**Note 11 – Net Assets:**

Restricted support is recorded as an increase in net assets with donor restrictions. When the restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are classified to net assets without donor restrictions and reported on the *statement of activities* as net assets released from restrictions.

The Organization's net assets with donor restrictions were as follows:

	<u>2022</u>	<u>2021</u>
Subject to purpose restrictions:		
Scholarships	\$ 106,249	\$ 71,841
Youth programs	152,275	178,155
Keith Yizar memorial	42,661	-
Building renovations	409,049	264,446
Emergency flood recovery	<u>488,919</u>	<u>600,372</u>
 Total net assets with donor restrictions	 <u>\$ 1,199,153</u>	 <u>\$ 1,114,814</u>

The Organization has raised funds specifically for Tropical Storm Ida flood recovery relief. Certain donors have restricted their donations specifically for the renovations of the community resource center and other donors towards emergency flood recovery for victims of the flood. The board of directors has designated \$650,000 consisting of \$488,919 of donor restricted flood recovery relief and \$161,081 of unrestricted funds towards the renovations of the community resource center building.

**HISPANIC RESOURCE CENTER OF  
LARCHMONT/MAMARONECK, INC.  
D/B/A COMMUNITY RESOURCE CENTER**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2022

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**Note 12 – Contributions:**

During 2021, the Organization's facilities and the surrounding areas suffered significant damaged during Tropical Storm Ida. The Organization commenced a campaign to raise funds to assist victims of the flood and for the renovations of the Organizations facilities. Contributions were as follows:

	<u>2022</u>	<u>2021</u>
Restricted contributions:		
Flood	\$ 141,659	\$ 1,115,973
Building renovations	322,126	61,980
Other programs	187,188	555,916
Unrestricted contributions	<u>815,148</u>	<u>1,091,906</u>
 Total contributions	 <u>\$ 1,466,121</u>	 <u>\$ 2,825,775</u>

**Note 13 – Summarized Comparative Totals:**

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

**Note 14 – COVID-19 Pandemic:**

The COVID-19 pandemic, and the ensuing economic crisis, contributed to the increase in the Organization's operating and economic activity in the current and preceding years. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on future developments, all of which are highly uncertain and cannot be predicted at this time.

**Note 15 – Subsequent Events:**

The Organization received approval for a thirty (30) year Economic Injury Disaster Loan from the Small Business Administration, in the amount of \$371,300 during 2022. There is no balance due as of December 31, 2022. As of the issuance date of the report, the Organization drew down \$25,000 for the construction of the building. The loan payments will begin 24 months from the date of the first draw-down. The loan will be collateralized by the assets of the Organization.