



THE FURNITURE RESOURCE CENTER

FINANCIAL STATEMENTS

*For the Year Ended December 31, 2024
(with comparative totals for December 31, 2023)*

THE FURNITURE RESOURCE CENTER

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FINANCIAL STATEMENTS

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Independent Auditor's Report

To Management and the Board of Directors of
The Furniture Resource Center

Opinion

We have audited the accompanying financial statements of The Furniture Resource Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of The Furniture Resource Center as of December 31, 2024, and the changes in 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 Qualified Opinion

The organization's inventory are stated at \$46,634 as of December 31, 2024. We did not observe the physical inventory count as of that date and were unable to obtain sufficient appropriate audit evidence about the inventory quantity through other auditing procedures.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Furniture 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 The Furniture 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 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 Furniture Resource Center'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 Furniture Resource Center'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 Furniture Resource Center's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 8, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



June 30, 2025

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

ASSETS

	<u>2024</u>	<u>2023</u>
Current assets		
Cash and cash equivalents	\$ 209,086	\$ 286,035
Accounts and other promises receivable	34,640	27,205
Furniture inventory	46,633	51,002
Investments	101,978	-
Prepaid expenses	<u>21,758</u>	<u>11,018</u>
Total current assets	<u>414,095</u>	<u>375,260</u>
Property and equipment, net	205,465	251,094
Right-of-use asset, operating lease	8,591	-
Security deposit	<u>-</u>	<u>1,900</u>
Total assets	<u><u>\$ 628,151</u></u>	<u><u>\$ 628,254</u></u>

LIABILITIES AND NET ASSETS

Current liabilities		
Current portion of long-term debt	\$ 10,429	\$ 10,046
Accounts payable	19,707	3,578
Accrued expenses	17,268	12,555
Operating lease liability, current portion	2,277	-
Deferred revenue	<u>4,083</u>	<u>15,015</u>
Total current liabilities	<u>53,764</u>	<u>41,194</u>
Long term liabilities		
Operating lease liability, non current portion	6,314	-
Long-term debt, noncurrent portion	<u>11,748</u>	<u>22,177</u>
Total long term liabilities	<u>18,062</u>	<u>22,177</u>
Net assets		
Without donor restrictions	535,075	539,883
With donor restrictions	<u>21,250</u>	<u>25,000</u>
Total net assets	<u>556,325</u>	<u>564,883</u>
Total liabilities and net assets	<u><u>\$ 628,151</u></u>	<u><u>\$ 628,254</u></u>

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2024

(with comparative totals for the year ended December 31, 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenue				
United Way allocations and designations	\$ 27,629	\$ 21,250	\$ 48,879	\$ 51,342
In-Kind Contributions - furniture	810,894	-	810,894	1,021,885
Contributions	106,617	-	106,617	63,984
Governmental grants	19,816	-	19,816	19,816
Other grants and awards	177,794	-	177,794	198,171
Program and other income	624,255	-	624,255	658,869
Special events - net	63,513	-	63,513	49,954
Interest income	2,031	-	2,031	-
Gain on disposal of property and equipment	16,339	-	16,339	-
Total support and revenue before releases	1,848,888	21,250	1,870,138	2,077,046
Net assets released from restrictions	25,000	(25,000)	-	-
Total support and revenue	1,873,888	(3,750)	1,870,138	2,077,046
Expenses				
Program services	1,706,774	-	1,706,774	1,900,539
Management and general	85,051	-	85,051	79,814
Fundraising	86,871	-	86,871	100,459
Total expenses	1,878,696	-	1,878,696	2,080,812
Changes in net assets from operating activities	(4,808)	(3,750)	(8,558)	(3,766)
Net assets, beginning of year	539,883	25,000	564,883	568,649
Net assets, end of year	<u>\$ 535,075</u>	<u>\$ 21,250</u>	<u>\$ 556,325</u>	<u>\$ 564,883</u>

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024

(with comparative totals for the year ended December 31, 2023)

	2024			2023	
	Program Services	Management and General	Fundraising	Total Functional Expenses	Total Functional Expenses
Payroll Expenses:					
Compensation	461,305	\$ 57,184	\$ 57,184	\$ 575,673	\$ 607,807
Employment taxes and benefits	46,376	5,797	5,797	57,970	65,684
Total payroll expenses	507,681	62,981	62,981	633,643	673,491
Other Expenses:					
Bank Fees	6,951	-	215	7,166	5,716
Contract labor	55,616	6,952	6,952	69,520	38,934
Donated furniture	815,262	-	-	815,262	1,026,439
Program activities and materials	86,241	-	-	86,241	97,124
Occupancy	51,323	2,851	2,851	57,025	59,798
Telephone	4,227	528	528	5,283	8,232
Office supplies and expenses	13,114	1,639	1,640	16,393	14,278
Printing, publications and promotion	27,644	8,294	6,174	42,112	17,130
Postage	-	-	4,033	4,033	4,145
Donor software costs	2,119	-	-	2,119	1,262
Equipment rental and maintenance	2,743	152	152	3,047	1,401
Vehicle expense	108,609	-	-	108,609	109,972
Interest expense	1,037	-	-	1,037	1,406
Insurance	-	309	-	309	7,246
Depreciation	24,207	1,345	1,345	26,897	27,263
Total functional expenses	<u>\$ 1,706,774</u>	<u>\$ 85,051</u>	<u>\$ 86,871</u>	<u>\$ 1,878,696</u>	<u>\$ 2,093,837</u>

STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ (8,558)	\$ (3,766)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation	26,897	27,263
Gain on sale of property and equipment	(16,769)	-
Changes in operating assets and liabilities		
(Increase) decrease in		
Accounts and other promises receivable	(7,435)	5,775
Furniture inventory	4,369	3,020
Prepaid expenses	(10,740)	(7,314)
Security deposit	1,900	-
Deferred revenue	(10,932)	-
Increase (decrease) in		
Accounts payable and accrued expenses	20,842	(9,289)
Net cash provided by (used in) operating activities	(426)	15,689
Cash flow from investing activities:		
Purchase of investments	\$ (101,978)	\$ -
Proceeds on sale of property and equipment	50,600	-
Purchase of fixed assets	(15,099)	(36,064)
Net cash provided by (used in) investing activities	(66,477)	(36,064)
Cash flows used in financing activities:		
Repayments of long-term debt	(10,046)	(9,677)
Net cash provided used in investing activities	(10,046)	(9,677)
Net decrease in cash and cash equivalents	(76,949)	(30,052)
Cash and cash equivalents, beginning of year	286,035	316,087
Cash and cash equivalents, end of year	\$ 209,086	\$ 286,035
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 1,037	\$ 1,406
Obtaining Operating Right-of-Use Asset		
Operating right-of use asset	(8,591)	-
Operating lease liability	8,591	-
	\$ -	\$ -

See independent auditor's report and notes to financial statements.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

NOTE 1 - NATURE OF ORGANIZATION

Nature of Organization – The Furniture Resource Center, doing business as Furniture Bank of Metro Detroit (the “Organization”) is a Michigan not-for-profit serving Metropolitan Detroit by providing families with a properly furnished home so that every child is getting a healthy start in life by sleeping in a warm bed or crib and that all useable furniture helps those who are most vulnerable live with dignity.

The Organization receives the majority of its support and revenue from programs service fees, contributions (cash and in-kind), and grants from local governmental agencies and foundations.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) to focus on the Organization as a whole and to present transactions according to the existence or absence of donor-imposed restrictions.

Net assets, revenues, support, expenses and gains or losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues and support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless restricted by the donor or law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

The Organization’s operating revenue in excess of operating expense includes all operating revenues and expenses that are an integral part of its programs and supporting activities and the assets released from donor restrictions to support operating expenditures.

Contributions - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Contributions (continued) - Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Conditional gifts received prior to the satisfaction of conditions are recorded as deferred revenue. Consequently, at December 31, 2024 and 2023, contributions approximating \$4,083 and \$15,015, respectively, have not been recognized in the accompanying statements of activities because the condition on which they depend has not yet been met.

Contributions of Nonfinancial Assets – The Organization receives various forms for in-kind contributions in the form of donated furniture and household items. In-kind contributions are reported at their estimated fair value on the date of receipt and reported as expense when utilized. Donated in-kind contributions are not sold and goods are only distributed for program use.

Cash and Cash Equivalents – The Organization considers all highly liquid investments purchased with original maturity of three months or less to be cash equivalents. The Organization maintains cash balances that at times throughout the year, may exceed federally insured limits. Management does not believe that Organization is exposed to any significant credit or other risk from such uninsured balances.

Accounts and Other Promises Receivable – Accounts and other promises receivable are recorded at the amount the Organization expects to collect from outstanding balances. The Organization provides for probable uncollectible amounts through an expense in the statement of activities and a credit to a valuation allowance based on management's assessment of the current status of individual accounts. Balances that are still outstanding after the Organization has attempted reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable receivable account. No allowance was necessary at December 31, 2024 and 2023.

Furniture Inventory – The Organization maintains multiple warehouses of donated furniture to be distributed to clients as soon as practicable after they have been received. Inventory consists primarily of furniture, including mattresses and box springs, sofas, chairs, and tables contributed to the Organization. Inventory is stated at estimated fair value at the date of donation as determined by the average thrift store value of each item. Inventory that is purchased by the Organization consists of mattresses and bed frames. Purchased items are valued at the lower of cost or net realizable value.

Investments – Investment securities purchased are initially recorded at cost. Thereafter, the Organization carries investments at fair value. Net investment return on certificate of deposits is included in interest income and reflected in the statement of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by the donor or law. For a further discussion of fair value measurement, refer to Note 3 to the financial statements.

Property and Equipment – Purchased property and equipment with a useful life in excess of one year is capitalized at cost. Major improvements are capitalized while ordinary maintenance and repairs are expensed. Donations of property and equipment are capitalized at their estimated fair value at the date contributed. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as contributions with donor restrictions. 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. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment is depreciated using the straight-line method over the estimated useful lives.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Functional Expense – The Organization accumulates and reports its expenses by function as for program services, management and general activities, or fundraising purposes. Program services are activities that fulfill the purposes or mission of the Organization. Management and general activities include governance recordkeeping, budgeting and administration other than for direct conduct of program services.

Fundraising and Cost Allocations – The Organization solicits funds for ongoing operations from a local foundation, community groups, and individuals. Such activities, however, do not include significant joint costs that qualify for allocation among the program services. Fundraising expenses are based on actual amounts paid and percentage of time allocated.

The financial statements also report certain categories of expenses that are attributable to more than one program or supporting services. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort. Depreciation, rent, insurance, postage and printing, professional fees, office supplies and telephone expenses are allocated between the programs and supporting services based on estimates such as salary allocations as determined by management.

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 and is exempt from similar state and local taxes. Although the Organization was granted an income tax exemption by the Internal Revenue Service, such exemption does not apply to “unrelated business taxable income.” Such income, pursuant to the Internal Revenue Code and related regulations, includes investment income such as interest received from sources other than directly from contributors. The Organization is not a private foundation. There were no temporary timing differences at December 31, 2024 and as such no deferred taxes have been recorded.

The Organization analyzes its income tax filing positions in the federal and state jurisdictions where it is required to file income tax returns, for all open tax years in these jurisdictions, to identify any potential uncertain tax positions. The Organization treats interest and penalties attributed to income taxes, and reflects any changes for such, to the extent that they arise, as a component of its management and general expense.

The Organization concluded that there are no significant uncertain tax positions requiring recognition in the financial statements. The Organization does not expect the total amount of unrecognized tax benefits (“UTB”) (e.g. tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Organization does not have any amounts accrued for interest and penalties related to UTBs at December 31, 2024, and it is not aware of any claims for such amounts by federal or state income tax authorities.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates.

Summarized Information – The financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended December 31, 2023, from which the summarized information was derived.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications – Certain reclassifications have been made to prior year amounts to conform with current year presentation.

Management's Review of Subsequent Events – Events or transactions occurring after year-end through June 30, 2025, which is the date the financial statements were available to be issued, have been evaluated by management in the preparation of the financial statements.

NOTE 3 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in an active market that the Organization has the ability to access.
- Level 2: Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.
- Level 3: Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect the estimates of assumptions that market participants would use in pricing the asset or liability.

The Organization utilizes fair value measurements to record fair value adjustments and to determine fair value disclosures for its investments. These assets are recorded at fair value on a recurring basis.

The following is a description of the valuation methodologies and key inputs used to measure assets recorded at fair value.

Certificates of Deposit: Based upon the Company's intent and ability to hold its certificates of deposit to maturity (which maturity currently is up to four months at purchase), such securities have been classified as held-to-maturity and are carried at amortized cost, which approximates market value and are classified as level 2.

The table below presents the recorded amount of assets at December 31, 2024. There were no investment balances as of December 31, 2023.

	Level 1	Level 2	Level 3	Total
Certificate of deposit	\$ -	\$ 101,978	\$ -	\$ 101,978

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2024	2023	Depreciable Life - Years
Land	\$ 16,000	\$ 16,000	N/A
Warehouse and office building	400,143	385,584	5-39
Delivery truck	68,958	105,022	5
Land improvements	31,377	31,377	15
Office equipment and software	28,327	35,206	3-5
	<u>544,805</u>	<u>573,189</u>	
Accumulated depreciation	339,340	322,095	
	<u>\$ 205,465</u>	<u>\$ 251,094</u>	

Depreciation expense for the years ended December 31, 2024 and 2023 was \$26,897 and \$27,263, respectively.

NOTE 5 - DESCRIPTION OF LEASING ARRANGEMENTS

The Organization leases warehouse space for \$2,100 per month on a one-year agreement that expired on May 31, 2024. The lease does not contain renewal options therefore a new lease was negotiated in 2024 and was set to begin on June 1, 2024 and was set to expire on May 31, 2025 for \$2,390 per month. During 2024, the noted warehouse lease was terminated, and the Organization began leasing two additional spaces on a month-to-month basis from an unrelated party for \$335 and \$421 per month.

The Organization leased two delivery trucks for \$2,481 per month and the agreement expired in December 2023. The two leased delivery trucks were purchased in 2023 by the Organization.

The Organization also leases office equipment with minimum monthly payments of \$214 per month that is set to expire in July 2028.

At the inception of each lease arrangement, the Organization will determine whether a lease is a finance lease or operating lease and whether the lease should be classified as a right of use asset on the balance sheet with a corresponding liability.

The components of lease costs for the year ended December 31, 2024 were as follows:

Operating lease expense	<u>\$ 2,566</u>
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Non-cash transactions of \$8,591 to record right-of-use assets obtained in exchange for operating lease liabilities occurred during the year ended December 31, 2024.

The weighted average remaining lease term on operating leases as of December 31, 2024, was 43 months. The weighted average discount rate on operating leases as of December 31, 2024 was 3.93%.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

NOTE 5 – DESCRIPTION OF LEASING ARRANGEMENTS (Continued)

Maturities of lease liabilities are as follows:

Year ending December 31:	<u>Operating Lease</u> <u>Total</u>
2025	\$ 2,566
2026	2,566
2027	2,566
2028	<u>1,496</u>
Total undiscounted cash flows	9,194
Less: present value discount	<u>(603)</u>
Total lease liabilities	<u><u>\$ 8,591</u></u>

NOTE 6 – NET ASSETS – WITH DONOR RESTRICTIONS

The Organization had assets subject to donor restrictions as listed below, for the year ended December 31:

	<u>2024</u>	<u>2023</u>
Subject to passage of time:		
United Way - future operations	<u>21,250</u>	<u>25,000</u>
Total net assets with donor restrictions	<u><u>\$ 21,250</u></u>	<u><u>\$ 25,000</u></u>

There were no assets subject to expenditures for specific purpose at December 31, 2024 or 2023.

NOTE 7 – IN-KIND CONTRIBUTIONS

The Organization reported donated furniture as in-kind support revenue based on the estimated fair value at the date of donation as determined by the average thrift store value of each item. Total in-kind donations of furniture for the years ending December 31, 2024 and 2023 was \$810,894 and \$1,021,885, respectively.

The Organization records the fair value of contributed services in the financial statements if the services either (a) create or enhance a non-financial asset or (b) require specialized skills, are provided by persons possessing those skills and would need to be purchased if they were not donated. For the year ended December 31, 2024 and 2023, the value of the contributed time is not reflected in these statements, since the recognition requirements have not been met.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**NOTE 8 - LIQUIDITY AND AVAILABILITY**

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

Financial assets

Cash and cash equivalents	\$ 209,086
Accounts and other promises receivable	34,640
Investments	<u>101,978</u>

Total financial assets held by the Organization	345,704
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Less amounts with limits on usage

Spendable net assets with donor purpose or time restrictions	<u>21,250</u>
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**Total financial assets available
for general use within one year**

	<u><u>\$ 324,454</u></u>
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