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# **INTERFAITH COMMUNITY SERVICES, INC.**

**(A MISSOURI NONPROFIT ORGANIZATION)**

## **FINANCIAL STATEMENTS**

**(INCLUDING INDEPENDENT AUDITOR'S REPORT)**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

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# **INTERFAITH COMMUNITY SERVICES, INC.**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

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# ***Welch & Associates, L.L.C.***

CERTIFIED PUBLIC ACCOUNTANTS

2405 Grand Boulevard, Suite 1040  
Kansas City, Missouri 64108  
Ph. (816) 756-2620 • Fax (816) 756-2621  
[www.welchcpafirm.com](http://www.welchcpafirm.com)

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Interfaith Community Services, Inc.  
Saint Joseph, Missouri

### **Opinion**

We have audited the accompanying financial statements of Interfaith Community Services, Inc. which comprise the statement of financial position as of December 31, 2023, 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 Interfaith Community Services, Inc. as of December 31, 2023, 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 Interfaith Community Services, Inc. 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 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.

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 Interfaith Community Services, Inc.'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 Interfaith Community Services, Inc.'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 Interfaith Community Services, Inc.'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.



**Welch & Associates, L.L.C.**

Kansas City, Missouri

November 21, 2024

# **FINANCIAL STATEMENTS**

# INTERFAITH COMMUNITY SERVICES, INC.

## STATEMENT OF FINANCIAL POSITION

AS OF DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash	\$ 110,853	\$ 129,760	\$ 240,613
Pledges receivable	-	334,424	334,424
Accounts receivable, net	136,860	-	136,860
Due from Community Missions Corporation	83,968	-	83,968
Due from InterServ Foundation	33,995	-	33,995
Due from (to) other fund	(1,774)	1,774	-
Prepaid expenses	-	-	-
TOTAL CURRENT ASSETS	363,902	465,958	829,860
Property and equipment, net	5,976,909	-	5,976,909
TOTAL ASSETS	<u>\$ 6,340,811</u>	<u>\$ 465,958</u>	<u>\$ 6,806,769</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 281,502	\$ -	\$ 281,502
Accrued payroll and related liabilities	138,946	-	138,946
Deferred revenue	449	-	449
TOTAL CURRENT LIABILITIES	420,897	-	420,897
NET ASSETS	5,919,914	465,958	6,385,872
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,340,811</u>	<u>\$ 465,958</u>	<u>\$ 6,806,769</u>

See notes accompanying financial statements

**INTERFAITH COMMUNITY SERVICES, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>OPERATING REVENUES</b>			
Contributions	\$ 473,988	\$ 85,000	\$ 558,988
Contributed non-financial assets	296,545	-	296,545
United Way	-	334,424	334,424
Government contracts	2,811,092	-	2,811,092
Program fees	361,817	-	361,817
Rental & miscellaneous revenue	80,663	-	80,663
Investment income, net	89	-	89
Net Assets Released from Restrictions:			
Satisfaction of restrictions	303,773	(303,773)	-
<b>TOTAL OPERATING REVENUES</b>	4,327,967	115,651	4,443,618
<b>OPERATING EXPENSES</b>			
Program Services:			
In-Home Services	624,943	-	624,943
Child & Infant Care	1,078,135	-	1,078,135
Mobile & Senior Meals	813,028	-	813,028
Rent & Utility Assistance & Pantry Food	566,106	-	566,106
Weightlifting, After School & Summer Programs	429,022	-	429,022
Counseling	37,764	-	37,764
Retired and Senior Volunteer Program	108,949	-	108,949
Lifeline/CDS	376,684	-	376,684
Immigration & Naturalization	44,061	-	44,061
Transportation	8,600	-	8,600
Wesley Facility	50,411	-	50,411
Calvin Facility	1,989	-	1,989
Supporting Services:			
Management and General	250,766	-	250,766
Resource Development	76,960	-	76,960
<b>TOTAL OPERATING EXPENSES</b>	4,467,416	-	4,467,416
<b>CHANGE IN NET ASSETS</b>	(139,449)	115,651	(23,798)
<b>NET ASSETS, BEGINNING OF YEAR</b>	6,059,363	350,307	6,409,670
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 5,919,914</u>	<u>\$ 465,958</u>	<u>\$ 6,385,872</u>

See notes accompanying financial statements

**INTERFAITH COMMUNITY SERVICES, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS BY COST CENTERS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	In-Home Services	Child & Infant Care	Mobile & Senior Meals	Rent & Utility Assistance & Food Pantry	Weightlifting, After School & Summer Programs	Counseling	Retired and Senior Volunteer Program	Lifeline/ CDS
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>								
Contributions	\$ 176,012	\$ 43,510	\$ 108,125	\$ -	\$ 63,344	\$ 30,134	\$ -	\$ 16,013
Contributed nonfinancial assets	-	-	-	-	-	-	-	37,239
United Way	-	-	-	-	-	-	-	-
Government contracts	452,366	967,940	395,737	369,213	198,106	-	69,745	314,485
Program fees	51,968	199,244	89,788	-	12,736	1,440	355	-
Rental & miscellaneous revenue	-	28,773	431	1,370	18,555	-	-	-
Investment income, net	-	-	-	-	-	-	-	-
Net Assets Released from Restrictions:								
Satisfaction of restrictions	-	40,000	71,103	87,099	75,258	-	31,855	30,297
<b>TOTAL REVENUES, GAINS, AND OTHER SUPPORT</b>	<b>680,346</b>	<b>1,279,467</b>	<b>665,184</b>	<b>457,682</b>	<b>367,999</b>	<b>31,574</b>	<b>101,955</b>	<b>398,034</b>
<b>EXPENSES</b>								
Direct expenses:								
Salaries	301,863	522,875	242,910	146,697	143,615	23,416	65,435	96,250
Employee benefits	12,684	25,446	45,501	8,897	20,573	1,409	9,909	1,726
Payroll taxes	29,052	43,597	20,707	12,750	11,652	2,092	5,169	14,854
Program services	-	-	-	-	-	-	-	-
Volunteer recognition	-	-	-	-	-	-	1,317	-
General youth activities	-	673	-	-	7,245	-	-	-
Professional fees	1276	2,372	7,549	42	20,427	-	237	2,500
Supplies	2,946	16,990	72,027	266	13,370	-	540	674
Food and beverage	-	57,471	324,054	-	16,998	-	2,282	2,327
Telephone and internet	561	1,991	882	1,767	694	569	668	187
Utilities	-	12,781	-	-	6,169	-	-	-
Postage	183	9	73	283	35	-	530	106
Insurance	7,475	18,688	5,610	934	12,676	934	4,362	934
Building maintenance	-	54,073	-	-	24,392	-	-	30
Equipment rental and repair	7,216	3,730	897	-	1,412	-	96	871
Advertising	1,580	5,969	-	-	720	-	423	-
Printing and copying	222	28	548	920	359	-	-	122
Subscription	2,204	5,349	1,332	-	2,209	-	-	-
Newsletter	-	-	-	-	-	-	-	-
Staff mileage and transportation	2,878	2,076	4,163	915	53	-	2,430	15
Insurance of vehicles	-	-	-	-	-	-	-	-
Conferences and meetings	2,499	3,605	966	74	4,302	-	1,705	-
Organization dues	1,530	2,028	5	300	-	5	-	-
Miscellaneous	8	498	-	-	-	-	-	-
Bad debts	-	131	-	8,255	130	-	-	-
Fundraising	-	3,356	-	-	977	-	-	-
Depreciation	24,898	116,728	26,280	22,133	44,264	2,766	2,766	2,766
Awards and grants	-	100	-	-	-	-	-	-
Housing assistance	-	-	-	251,701	-	-	-	-
Heat and utility assistance	-	-	-	77,909	-	-	-	-
Assistance to individuals	-	5,008	-	41	-	-	-	-
Food assistance	-	-	-	-	-	-	-	236,301
Small equipment	-	9,636	-	100	3,254	-	1,099	171
<b>Total Expenses Before Facility Costs</b>	<b>399,075</b>	<b>915,208</b>	<b>753,504</b>	<b>533,984</b>	<b>335,526</b>	<b>31,191</b>	<b>98,968</b>	<b>359,834</b>
Indirect Expenses:								
Facility costs	4,260	22,963	7,037	2,963	11,851	741	4,149	5,186
Indirect costs	221,608	139,964	52,487	29,159	81,645	5,832	5,832	11,664
<b>Total Indirect Expenses</b>	<b>225,868</b>	<b>162,927</b>	<b>59,524</b>	<b>32,122</b>	<b>93,496</b>	<b>6,573</b>	<b>9,981</b>	<b>16,850</b>
<b>TOTAL EXPENSES</b>	<b>624,943</b>	<b>1,078,135</b>	<b>813,028</b>	<b>566,106</b>	<b>429,022</b>	<b>37,764</b>	<b>108,949</b>	<b>376,684</b>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b>\$ 55,403</b>	<b>\$ 201,332</b>	<b>\$ (147,844)</b>	<b>\$ (108,424)</b>	<b>\$ (61,023)</b>	<b>\$ (6,190)</b>	<b>\$ (6,994)</b>	<b>\$ 21,350</b>

See notes accompanying financial statements



**INTERFAITH COMMUNITY SERVICES, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS BY COST CENTERS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Immigration & Naturalization	Transportation	Resource Development	Wesley Facility	Calvin Facility	Management and General	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>							
Contributions	\$ 18,350	\$ -	\$ 15,000	\$ -	\$ -	\$ 3,500	\$ 473,988
In-kind revenue	-	-	-	-	-	259,306	296,545
United Way	-	-	-	-	-	-	-
Government contracts	-	-	-	-	-	43,500	2,811,092
Program fees	6,266	-	-	-	-	20	361,817
Rental & miscellaneous revenue	-	-	-	-	11,160	20,374	80,663
Investment income, net	-	-	-	-	-	89	89
Net Assets Released from Restrictions:							
Satisfaction of restrictions	10,941	-	-	-	-	(42,780)	303,773
<b>TOTAL REVENUES, GAINS, AND OTHER SUPPORT</b>	<b>35,557</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>11,160</b>	<b>284,009</b>	<b>4,327,967</b>
<b>EXPENSES</b>							
Direct expenses:							
Salaries	30,002	-	-	-	-	579,223	2,152,286
Employee benefits	232	-	-	-	-	101,023	227,400
Payroll taxes	2,575	-	-	-	-	48,607	191,055
Program services	-	-	-	-	-	-	-
Volunteer recognition	-	-	-	-	-	2,038	3,355
General youth activities	-	-	-	-	-	-	7,918
Professional fees	15	-	-	2,242	400	61,772	98,832
Supplies	9	(1,595)	1,744	1,458	-	12,779	121,208
Food and beverage	-	-	-	-	-	15	403,147
Telephone and internet	121	-	-	-	-	4,054	11,494
Utilities	-	-	-	44,101	18,705	180	81,936
Postage	159	-	17,832	-	-	1,658	20,868
Insurance	934	-	934	-	-	17,881	71,362
Building maintenance	-	23	-	70,558	9,377	256	158,709
Equipment rental and repair	-	-	8,565	2,585	493	4,361	30,226
Advertising	-	-	5,745	-	-	112	14,549
Printing and copying	157	-	469	-	-	(2,380)	445
Subscription	-	-	7,308	-	-	5,594	23,996
Newsletter	-	-	2,762	-	-	-	2,762
Staff mileage and transportation	24	(1,146)	27	1,462	298	966	14,161
Insurance of vehicles	-	3,732	-	-	-	-	3,732
Conferences and meetings	495	-	3,548	-	-	1,630	18,824
Organization dues	-	-	-	-	-	35	3,903
Miscellaneous	-	-	-	-	-	8,001	8,507
Bad debts	-	-	-	-	-	-	8,516
Fundraising	-	-	1,150	-	-	-	5,483
Depreciation	2,766	1,384	16,599	-	-	13,303	276,651
Awards and grants	-	-	-	-	-	-	100
Housing assistance	-	-	-	-	-	-	251,701
Heat and utility assistance	-	-	-	-	-	-	77,909
Assistance to individuals	-	-	-	-	-	-	5,049
Food assistance	-	-	-	-	-	-	236,301
Small equipment	-	-	-	2,080	(29)	12,030	28,341
<b>Total Expenses Before Facility Cos</b>	<b>37,489</b>	<b>2,398</b>	<b>66,683</b>	<b>124,486</b>	<b>29,244</b>	<b>873,138</b>	<b>4,560,726</b>
Indirect Expenses:							
Facility costs	740	370	4,445	(74,075)	(27,255)	36,625	-
Indirect costs	5,832	5,832	5,832	-	-	(658,997)	(93,310)
<b>Total Indirect Expenses</b>	<b>6,572</b>	<b>6,202</b>	<b>10,277</b>	<b>(74,075)</b>	<b>(27,255)</b>	<b>(622,372)</b>	<b>(93,310)</b>
<b>TOTAL EXPENSES</b>	<b>44,061</b>	<b>8,600</b>	<b>76,960</b>	<b>50,411</b>	<b>1,989</b>	<b>250,766</b>	<b>4,467,416</b>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b>\$ (8,504)</b>	<b>\$ (8,600)</b>	<b>\$ (61,960)</b>	<b>\$ (50,411)</b>	<b>\$ 9,171</b>	<b>\$ 33,243</b>	<b>\$ (139,449)</b>

See notes accompanying financial statements

# INTERFAITH COMMUNITY SERVICES, INC.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ (23,798)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	276,651
In-kind donation of building	(259,306)
(Increase) Decrease in Operating Assets:	
Pledges receivable	12,129
Accounts receivable	31,870
Due from Community Missions Corporation	(42,829)
Due from InterServ Foundation	(18,064)
Prepaid expenses	711
Increase (Decrease) in Operating Liabilities:	
Accounts payable	227,813
Accrued payroll and related liabilities	(1,179)
Deferred revenue	-
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>203,998</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property and equipment	<u>(258,923)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(258,923)</u>
<b>NET CHANGE IN CASH AND RESTRICTED CASH</b>	<u>(54,925)</u>
<b>CASH AND RESTRICTED CASH - BEGINNING OF YEAR</b>	<u>295,538</u>
<b>CASH AND RESTRICTED CASH - END OF YEAR</b>	<u><u>\$ 240,613</u></u>
<u>Supplemental Disclosure of Cash Flow Information</u>	
Cash paid during the year for interest expense	<u>\$ -</u>
Cash paid during the year for income taxes	<u><u>\$ -</u></u>
<u>Reconciliation of Cash and Restricted Cash in Statement of</u> <u>Cash Flows to Statement of Financial Position</u>	
Cash	\$ 110,853
Cash - restricted	129,760
Cash and restricted cash - end of year	<u><u>\$ 240,613</u></u>

See notes accompanying financial statements

**INTERFAITH COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

Interfaith Community Services, Inc. (the Organization) is a nonprofit organization incorporated in the state of Missouri. The Organization's mission is to be an instrument for renewing the lives of persons in the community, particularly those with the fewest alternatives in life in the northwest Missouri area. The Organization's primary sources of revenue are from State of Missouri, federal grants, individual clients and donations. It operates from facilities located in Saint Joseph, Missouri.

The Organization has a controlling financial interest in Community Missions Corporation (CMC) and wholly owns Interfaith SFKH GP, Inc. which owns a 0.051% general partnership interest in Interfaith SFKH, L.P. The Organization is related in purpose to The InterServ Foundation (Foundation). The Foundation board of directors is composed of eleven members, out of which two members are appointed by the Organization. The Organization's financial statements are prepared on a separate company basis and do not include the financial position and results of operations of the related entities discussed above.

**Income Taxes**

The Organization is exempt from income taxation pursuant to Internal Revenue Code (IRC) section 501(a) as an organization described in IRC section 501(c)(3) and is not a private foundation within the meaning of IRC section 509(a) as determined by the Internal Revenue Service. Management has reviewed all sources of revenue and does not believe the Organization to be subject to income tax on unrelated business income.

**Description of Programs**

The Organization operates the following programs:

**In-Home Services**

In-Home Services provides help for those who want to remain in their home but need some limited assistance with basic home and personal care tasks.

**Child and Infant Care**

Early care services are provided for children ages birth to five years. The two centers are state licensed and nationally accredited. Both centers offer extended hours to accommodate working parents.

**Mobile & Senior Meals**

Volunteer drivers deliver meals to homes of elderly and disabled people in the community and surrounding county area.

**Rent & Utility Assistance and Food Pantry**

This program provides assistance to needy families who are at eminent risk of homelessness with stabilization services such as rent and utility assistance. The program also works with literally homeless people to rapidly re-house them and work toward long-term housing stabilization. The Food Pantry distributes donated food to people in need of assistance.

**Counseling**

This program guides families with budgeting assistance and assists seniors with bill paying and monthly financial management tasks.

**INTERFAITH COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Weightlifting, After School and Summer Programs

Olympic Weightlifting is a supervised program designed for introducing and instructing weightlifting to area youth. The team competes nationally and has international representation on Team USA. The After-School program is a recreation center for youth with organized and staffed activities after school which includes tutoring assistance. Summer Programs include basketball and volleyball league competition supervised and organized for area youth to learn and enjoy these sports.

Retired and Senior Volunteer Programs (RSVP)

The RSVP program coordinates volunteers, 55 years old or older, to be involved in community problem solving efforts and help meet the needs of local not-for-profit organizations. Volunteers also assist low-income seniors with tax preparation and Medicare/Medicaid paperwork.

Lifeline/Consumer Directed Services (CDS)

CDS allows a person who is disabled or elderly the ability to direct their own care services. They can hire attendants who will assist them in the tasks of daily living so that they can remain living independently.

Immigration and Naturalization

Immigration Services program provides services to help immigrants obtain/maintain legal status for citizenship and Legal Permanent Residency.

Neighborhood Nutrition Centers-Calvin Facility and Wesley Facility

Two congregate meals sites offer senior citizens a daily noon meal as well as providing a location where they can enjoy friendship, recreation, and community related activities.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the Organization's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this method, revenues are recognized when all conditions for income recognition have been met, and expenses are recognized when the obligation is incurred.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the Statements of Cash Flows, the Organization considers cash, checking and saving accounts and all other liquid investments with an original maturity of three months or less to be cash and cash equivalents.

**INTERFAITH COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Contributions

Contributions received are recorded as unrestricted or restricted support depending on the existence or nature of any donor-imposed restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as restricted support that increases this net asset class.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are made. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Contribution receivables consist of pledges from United Way and have been valued at the face amount of the pledge less an estimate made for doubtful receivables based on a review of all outstanding accounts on an annual basis. Contributions receivable are written off when deemed uncollectible. Recoveries of receivable previously written off are recorded as revenue when received. All contribution receivables are expected to be received in less than one-year. Management believes that contributions receivable are fully collectible and an allowance for doubtful accounts is not required as of December 31, 2023.

Accounts Receivable

Accounts receivable are primarily amounts due from operating programs (see Note 1 for a description of programs). Accounts receivable are reported at the invoiced amount. Any accounts receivable determined to be uncollectible are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying statement of functional expenses. Directly identifiable expenses are charged to the programs and supporting services to which they relate. Expenses related to more than one function are allocated to programs and supporting services, primarily based on staffing levels. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide the overall support and direction of the Organization. Facility costs are the allocation of Wesley Community Center and Calvin Center.

Compensated Absences

Employees of the Organization are entitled to paid vacation, depending on job classification and length of service. Annual leave is payable to the employee upon termination. Accrued vacation at December 31, 2023 was \$61,473.

Fair Value Measurement

The carrying amounts of assets and liabilities, except for property and equipment, are reported on the statements of financial position at their approximate fair values. The measurement of reported value of property and equipment is discussed below in property and equipment.

**INTERFAITH COMMUNITY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**Property and Equipment (Fixed Assets)**

Purchased property and equipment are recorded at cost. Major improvements and purchases over \$2,500 are capitalized, and maintenance and repairs that do not improve or extend the life of the respective assets are expensed. Donated property and equipment are recorded at their market value at the time of donation. If donors stipulate how long the asset must be used, the contributions are recorded as net assets with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as net assets without donor restrictions. The useful lives of the assets for depreciation purposes may be different than their actual economic useful lives. Estimated useful lives of the assets are as follows:

	<u>Useful Life</u>
Buildings and improvements	10-40 Years
Equipment and furniture	5-10 Years
Vehicles	5-10 Years

Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Management evaluates its long-lived assets for impairment when circumstances indicate the carrying amount may not be fully recoverable. This evaluation is generally performed using year-end information.

**Financial Statement Presentation**

The Organization reports its net assets as follows:

- **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 objectives of the organization. These net assets may be used at the discretion of the Organization's management and board of directors.
- **Net Assets with Donor Restrictions**  
Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions can be met by actions of the organization or by the passage of time. Other restrictions are perpetual in nature and the net assets must be maintained in perpetuity.

**Going Concern Analysis**

Management evaluates whether there are conditions and events, considered in the aggregate, which raise substantial doubt about the Organization's ability to continue as a going concern within a year of financial statement issue date.

**NOTE 3 – ECONOMIC DEPENDENCY**

The Organization received a major portion of its revenues from government agencies for the year ended December 31, 2023. If a significant reduction in the level of revenues were to occur, it could have an adverse effect on the operations of the organization.

In addition, the Organization provides services in Saint Joseph, Missouri. Future operations could be affected by changes in economic or other conditions in the geographic area.

**INTERFAITH COMMUNITY SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 4 – CONCENTRATION OF CREDIT RISK**

Financial instrument that potentially subject the Organization to concentrations of credit risk is cash arising from normal business activities.

Cash

The Organization maintains cash with one financial institution insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organization's cash balance may periodically exceed FDIC insurance limits. The Organization believes it is not exposed to significant risk due to the financial position of the depository institution in which these deposits are held. At December 31, 2023, the Organization had cash in excess of the FDIC insured amount by \$247.

**NOTE 5 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

Financial assets at year-end:

Cash	\$240,613
Pledge receivable	334,424
Accounts receivables	136,860
Due from InterServ Foundation	33,995
Due from Community Missions Corporation	<u>83,968</u>
	\$829,860
Restrictions imposed by donors	<u>(131,534)</u>
Total	<u>\$698,326</u>

As part of the Organization's liquidity management plan, it has structured its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Part of the liquidity management is the ability to access funds held by the Foundation, if needed.

**NOTE 6 – TRANSACTIONS WITH RELATED PARTIES**

The Organization billed the Foundation and CMC for direct expenses such as Foundation and CMC personnel wages, taxes, benefits and certain office expenses such as telephone, photocopy, postage, and office supplies. The Organization also billed the Foundation and CMC an indirect allocation of certain administrative personnel wages, taxes, and benefits based on allocation of their time expended on Foundation and CMC matters. The Organization also billed the Foundation \$1,200 per month for use of office space in the Organization's facility.

	<u>Foundation</u>	<u>CMC</u>
Unrestricted support	\$704,624	\$ 0
Restricted support	0	0
Occupancy charges	14,400	0
Direct/indirect expenses		
reimbursements received	<u>158,320</u>	<u>460,789</u>
	<u>\$877,344</u>	<u>\$460,789</u>

**INTERFAITH COMMUNITY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 7 – EMPLOYEE BENEFIT PLAN**

The Organization offers a 401(k) Plan (the Plan). The provisions of the Plan are as follows:

- The normal retirement age is 65 years.
- An employee is eligible to participate in the Plan after one year of continuous service has been completed, has attained age 21, and has worked a minimum of 1000 hours in the plan year.
- An employee may contribute an amount ranging from 0% to 100% of their compensation with a maximum limit set by Internal Revenue Service.
- The plan allows the Organization to make discretionary profit-sharing contributions. The Organization contributed 3 percent of each eligible participants' pay during the year ended December 31, 2023.
- The Organization will match participant contributions up to 1% of participant's annual salary.
- Participants are fully vested after three years of service.

The Organization's contribution charged to expense was \$35,961 for the year ended December 31, 2023, respectively.

**NOTE 8 – CLASSIFICATION OF NET ASSETS**

At December 31, 2023, net assets with donor restrictions are available for the following purposes:

Operating support for the next fiscal year	\$334,424
Program specific activities	46,534
Cherokee building - After school and youth program	<u>85,000</u>
Total net assets with donor restrictions	<u>\$465,958</u>

During the year ended December 31, 2023, net assets were released from restrictions by incurring expenses satisfying the restricted purposes specified by the donors as follows:

Operating support-time restriction	\$303,773
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**NOTE 9 – PROPERTY AND EQUIPMENT**

The major classes of property and equipment as of December 31, 2023 are as follows:

Land	\$ 843,901
Buildings	7,729,968
Equipment and Furniture	572,623
Vehicles	<u>171,461</u>
	9,317,953
Accumulated Depreciation	<u>(3,341,044)</u>
	<u>\$5,976,909</u>



**INTERFAITH COMMUNITY SERVICES, INC.  
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FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 10 – CONTINGENCY**

Revenue from grants is recognized as the Organization performs the contracted services or incurs expenses eligible for reimbursements under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required. The financial statements do not include adjustments related to this contingency because the amount cannot be reasonably estimated.

The Organization is subject to various claims and legal proceedings covering a range of matters that arise in the ordinary course of business. In the opinion of management, all such matters are adequately covered by insurance and, if not so covered, are without merit or involve such amounts that would not have a significant effect on the financial position or results of operation of the Organization if disposed of unfavorably.

**NOTE 11 – CONTRIBUTED NONFINANCIAL ASSETS**

In-kind contributions included in the statement of activities are comprised of the following for the year ended December 31, 2023:

Building	\$259,306
Food/Catering	<u>37,239</u>
	<u>\$296,545</u>

Fair value techniques – food is valued using estimated prices of identical or similar products if purchased in the region. Building is valued at the actual purchase price. The Organization utilizes the contributions for program services.

**NOTE 12 – DATE OF MANAGEMENT'S REVIEW**

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through November 21, 2024, the date the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.