North Fulton Community Charities

FINANCIAL STATEMENTS

Years Ended June 30, 2026 and 2025

BRADY WARE & SCHOENFELD

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BRADY WARE & SCHOENFELD

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
North Fulton Community Charities, Inc.
Roswell, GA

Opinion

We have audited the accompanying financial statements of **North Fulton Community Charities, Inc.** (a nonprofit organization), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **North Fulton Community Charities, Inc.** as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **North Fulton Community Charities, Inc.'s** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT - CONTINUED

Auditors' 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 auditors' 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 **North Fulton Community Charities, 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 **North Fulton Community Charities, 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.

INDEPENDENT AUDITORS' REPORT - CONTINUED

Other Information Included in the Organization's Annual Report

Management is responsible for the other information included in the Organization's Annual Report for 2026 and 2025. The other information comprises information on the Organization's operations, financial results, and financial position, but it does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

In connection with our audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Brady, Ware & Schoenfeld, Inc.

Atlanta, Georgia
October 21, 2026

NORTH FULTON COMMUNITY CHARITIES, INC.

STATEMENTS OF FINANCIAL POSITION

June 30, 2026 and 2025

	2026	2025
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**$ 784,655**	$ 1,009,194
Investments	**2,541,354**	2,518,710
Grants receivable	**31,334**	39,833
Other receivables	**5,263**	3,175
Inventories	**509,339**	456,643
Prepaid and other	**72,227**	82,027
Total current assets	**3,944,172**	4,109,582
PROPERTY AND EQUIPMENT, NET	**7,964,531**	8,068,470
BENEFICIAL INTEREST IN CHARITABLE TRUST	**275,695**	238,571
	$ 12,184,398	$ 12,416,623
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	**$ 201,245**	$ 203,961
Contract liabilities	**69,500**	62,500
Total current liabilities	**270,745**	266,461
NET ASSETS		
Net assets without donor restrictions	**11,552,103**	11,713,840
Net assets with donor restrictions	**361,550**	436,322
Total net assets	**11,913,653**	12,150,162
	$ 12,184,398	$ 12,416,623

See notes to financial statements.

NORTH FULTON COMMUNITY CHARITIES, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2026

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions and grants	$ 2,750,894	$ 676,592	**$ 3,427,486**
Contributions of nonfinancial assets	9,273,334	-	**9,273,334**
Thrift shop	1,441,117	-	**1,441,117**
Funding from government agencies	2,027	100,000	**102,027**
Special events	933	-	**933**
Investment income	113,070	-	**113,070**
Change in beneficial interest in charitable trust	-	37,124	**37,124**
Net assets released from restrictions	888,488	(888,488)	**-**
Total support and revenue and reclassifications	14,469,863	(74,772)	**14,395,091**
FUNCTIONAL EXPENSES			
Program services			
Financial assistance	1,741,861	-	**1,741,861**
Thrift shop	3,241,329	-	**3,241,329**
Food pantry	7,037,017	-	**7,037,017**
Seasonal programs	972,024	-	**972,024**
Enrichment programs	572,629	-	**572,629**
Supporting services			
Fundraising	238,763	-	**238,763**
General and administrative	827,977	-	**827,977**
Total functional expenses	14,631,600	-	**14,631,600**
CHANGES IN NET ASSETS	(161,737)	(74,772)	**(236,509)**
NET ASSETS			
Beginning of year	11,713,840	436,322	**12,150,162**
End of year	$ 11,552,103	$ 361,550	**$ 11,913,653**

See notes to financial statements.

NORTH FULTON COMMUNITY CHARITIES, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions and grants	$ 2,447,087	$ 699,218	**$ 3,146,305**
Contributions of nonfinancial assets	9,063,750	-	**9,063,750**
Thrift shop	1,402,766	-	**1,402,766**
Funding from government agencies	133,218	25,000	**158,218**
Special events	7,150	-	**7,150**
Investment income	171,275	-	**171,275**
Change in beneficial interest in charitable trust	-	23,770	**23,770**
Net assets released from restrictions	788,034	(788,034)	**-**
Total support and revenue and reclassifications	14,013,280	(40,046)	**13,973,234**
FUNCTIONAL EXPENSES			
Program services			
Financial assistance	2,052,188	-	**2,052,188**
Thrift shop	3,024,013	-	**3,024,013**
Food pantry	6,790,569	-	**6,790,569**
Seasonal programs	903,214	-	**903,214**
Enrichment programs	374,523	-	**374,523**
Supporting services			
Fundraising	250,158	-	**250,158**
General and administrative	959,402	-	**959,402**
Total functional expenses	14,354,067	-	**14,354,067**
CHANGES IN NET ASSETS FROM OPERATIONS	(340,787)	(40,046)	**(380,833)**
OTHER CHANGES IN NET ASSETS			
Loss on disposal of property and equipment	(219)	-	**(219)**
CHANGES IN NET ASSETS	(341,006)	(40,046)	**(381,052)**
NET ASSETS			
Beginning of year	12,054,846	476,368	**12,531,214**
End of year	$ 11,713,840	$ 436,322	**$ 12,150,162**

See notes to financial statements.

NORTH FULTON COMMUNITY CHARITIES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2026

	Program Services					Supporting Services		
	Financial Assistance	Thrift Shop	Food Pantry	Seasonal Programs	Enrichment Programs	Fundraising	General and Administrative	Total Expenses
In-kind:								
Food	$ -	$ -	$ 6,194,479	$ 113,300	$ -	$ -	$ -	**$ 6,307,779**
Clothing and household items	-	2,149,670	-	196,895	-	-	-	**2,346,565**
Other	10,677	15,708	9,792	504,297	15,401	100	9,155	**565,130**
Total In-kind	10,677	2,165,378	6,204,271	814,492	15,401	100	9,155	**9,219,474**
Direct assistance:								
Rent	986,697	-	-	-	-	-	-	**986,697**
Utilities	83,886	-	-	-	-	-	-	**83,886**
Transportation	2,178	-	3,280	-	-	-	-	**5,458**
Food & nutritional supplements	-	-	72,428	-	-	-	-	**72,428**
Miscellaneous assistance	48,000	-	-	18,155	20,000	-	8,203	**94,358**
Total direct assistance	1,120,761	-	75,708	18,155	20,000	-	8,203	**1,242,827**
Other:								
Payroll and payroll taxes	329,618	603,343	374,145	96,390	259,645	133,313	563,051	**2,359,505**
Benefits	88,611	84,431	81,315	16,552	35,772	27,720	38,978	**373,379**
Utilities	11,514	62,710	27,864	894	13,662	3,367	12,715	**132,726**
Repairs and maintenance	17,601	32,334	38,554	2,282	20,055	4,380	18,048	**133,254**
Security	-	9,787	6,525	-	-	-	-	**16,312**
Professional fees and services	37,835	56,647	43,874	4,836	84,849	34,502	75,682	**338,225**
Supplies and postage	818	13,842	11,287	4,445	823	1,322	2,388	**34,925**
Special events	-	-	-	-	-	748	-	**748**
Transaction fees	51,756	31,125	2,084	1,093	44	118	455	**86,675**
Insurance	19,200	31,265	13,189	231	12,200	11,058	10,159	**97,302**
Short-term lease expense	-	5,023	21,432	5,789	-	-	-	**32,244**
Vehicle expense	-	15,029	11,861	1,281	-	-	-	**28,171**
Printing	223	374	680	5	63	3,751	3,806	**8,902**
Equipment	4,605	15,938	19,075	481	2,530	308	5,672	**48,609**
Marketing	-	2,610	1,429	1,073	-	994	2,234	**8,340**
Student expenses	-	-	-	-	48,274	-	-	**48,274**
Miscellaneous	5,045	18,431	21,621	4,025	5,317	4,541	39,083	**98,063**
Depreciation	43,597	93,062	82,103	-	53,994	12,541	38,348	**323,645**
Total other	610,423	1,075,951	757,038	139,377	537,228	238,663	810,619	**4,169,299**
Total functional expenses	$ 1,741,861	$ 3,241,329	$ 7,037,017	$ 972,024	$ 572,629	$ 238,763	$ 827,977	**$ 14,631,600**
Percent of total	12%	22%	48%	6%	4%	2%	6%	**100%**

See notes to financial statements.

NORTH FULTON COMMUNITY CHARITIES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2025

	Program Services					Supporting Services		
	Financial Assistance	Thrift Shop	Food Pantry	Seasonal Programs	Enrichment Programs	Fundraising	General and Administrative	Total Expenses
In-kind:								
Food	$ -	$ -	$ 6,032,472	$ 57,905	$ -	$ -	$ -	**$ 6,090,377**
Clothing and household items	-	2,082,882	-	224,292	-	-	-	**2,307,174**
Other	26,142	20,220	23,000	436,710	2,339	28,680	3,120	**540,211**
Total In-kind	26,142	2,103,102	6,055,472	718,907	2,339	28,680	3,120	**8,937,762**
Direct assistance:								
Rent	1,153,035	-	-	-	-	-	-	**1,153,035**
Utilities	93,682	-	-	-	-	-	-	**93,682**
Transportation	6,245	-	1,500	-	-	-	-	**7,745**
Food & nutritional supplements	-	-	82,634	-	-	-	-	**82,634**
Miscellaneous assistance	2,545	-	-	14,953	-	-	-	**17,498**
Total direct assistance	1,255,507	-	84,134	14,953	-	-	-	**1,354,594**
Other:								
Payroll and payroll taxes	493,161	536,428	316,220	130,875	132,194	140,696	631,717	**2,381,291**
Benefits	90,919	76,876	50,133	21,198	13,165	27,266	59,521	**339,078**
Utilities	12,816	52,950	25,856	840	11,822	3,891	15,228	**123,403**
Repairs and maintenance	18,729	32,064	37,066	1,685	26,270	4,547	19,046	**139,407**
Security	-	9,524	6,350	-	-	-	-	**15,874**
Professional fees and services	47,122	20,930	45,254	2,264	78,123	21,121	107,086	**321,900**
Supplies and postage	996	12,885	24,628	1,983	2,322	1,189	2,108	**46,111**
Special events	-	-	-	-	-	-	2,026	**2,026**
Transaction fees	46,583	30,074	1,636	1,389	-	939	126	**80,747**
Insurance	9,962	13,560	6,458	2,097	2,622	5,868	34,338	**74,905**
Short-term lease expense	-	210	1	354	-	-	-	**565**
Vehicle expense	-	12,591	9,654	-	-	-	-	**22,245**
Printing	-	-	-	-	133	3,010	6,972	**10,115**
Equipment	2,194	6,655	31,826	4,370	4,287	4,178	6,568	**60,078**
Marketing	-	927	2,398	978	273	179	3,052	**7,807**
Student expenses	-	-	-	-	43,029	-	-	**43,029**
Miscellaneous	3,560	17,138	12,489	1,082	2,595	7,739	27,591	**72,194**
Depreciation	44,497	98,099	80,994	239	55,349	855	40,903	**320,936**
Total other	770,539	920,911	650,963	169,354	372,184	221,478	956,282	**4,061,711**
Total functional expenses	$ 2,052,188	$ 3,024,013	$ 6,790,569	$ 903,214	$ 374,523	$ 250,158	$ 959,402	**$ 14,354,067**
Percent of total	14%	21%	47%	6%	3%	2%	7%	**100%**

See notes to financial statements.

NORTH FULTON COMMUNITY CHARITIES, INC.

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2026 and 2025

	2026	2025
OPERATING ACTIVITIES		
Change in net assets	**$ (236,509)**	$ (381,052)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided (used) by operating activities:		
Depreciation	**323,645**	320,936
Loss on disposal of property and equipment	**-**	219
Change in donated inventories	**(52,696)**	(125,959)
Provision for uncollectible pledges receivable	**-**	3,022
Change in value of beneficial interest in charitable trust	**(37,124)**	(23,770)
	(2,684)	(206,604)
Changes in operating assets and liabilities:		
Grants receivable	**8,499**	36,067
Other receivables	**(2,088)**	30,959
Prepaid and other	**9,800**	(11,975)
Accounts payable and accrued expenses	**(2,716)**	(36,504)
Contract liabilities	**7,000**	5,000
Net Cash and Cash Equivalents Provided (Used) by Operating Activities	**17,811**	(183,057)
INVESTING ACTIVITIES		
Purchases of property and equipment	**(219,707)**	(46,031)
Purchases of investments	**(3,112,622)**	(2,518,710)
Proceeds from sale of investments	**3,089,979**	2,260,585
Net Cash and Cash Equivalents Used by Investing Activities	**(242,350)**	(304,156)
FINANCING ACTIVITIES		
Collection of pledges receivable, net	**-**	5,816
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(224,539)**	(481,397)
CASH AND CASH EQUIVALENTS		
Beginning of year	**1,009,194**	1,490,591
End of year	**$ 784,655**	$ 1,009,194

See notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

North Fulton Community Charities, Inc. ("NFCC") is a Georgia non-profit organization established to provide residents of northern Fulton County, Georgia with short-term emergency assistance. NFCC assists families with financial assistance for rent, utilities, medical expenses, transportation and other basic needs. NFCC operates a food pantry and thrift shop to support families with food, clothing and household needs. NFCC also provides life skill classes and advocates for the needs of low income residents.

Basis of Presentation - The financial statement presentation follows the recommendations of generally accepted accounting principles. NFCC is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. These net assets may be used at the discretion of NFCC management or designated by the board of directors. NFCC had no net assets designated by the board of directors as of June 30, 2026 or 2025.

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. NFCC had no net assets with donor restrictions in perpetuity as of June 30, 2026 or 2025.

Financial 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses - Directly identifiable expenses are charged to programs and supporting services and summarized on a functional basis in the statement of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis and consistently applied. All expenses are allocated based on direct identification except for occupancy and related expenses which are allocated based on direct usage and computed using square footage.

Contributions and Revenue - Contributions received are recorded as support and revenue without donor restrictions and with donor restrictions depending on the existence and/or nature of any donor restrictions. 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.

NFCC recognized revenue for certain services received at the fair value of those services. These services include professional services that require specialized skill and services that create a non-financial asset. Donations of nonfinancial assets are recorded as contributions when received (see Note 9).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

NFCC receives donated services from unpaid volunteers. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition have not been satisfied (see Note 12).

Conditional grants are recorded as revenue in the year the conditions are met. The continuation of the grants is subject to certain requirements.

Concentration of Credit Risk - Financial instruments which potentially subject NFCC to concentrations of credit risk consist principally of cash and cash equivalents and investments. NFCC maintains cash and cash equivalents balances at two financial institutions. During 2026 and 2025, the cash and cash equivalents balances were in excess of FDIC insured limits.

NFCC's investment policies provide for the investment of excess cash and cash equivalents balances in deposits with major FDIC or NCUA approved financial institutions and in other high quality short-term liquid money market instruments. The concentration of credit risk for investments consists of reserve funds that have been invested in a U.S. Treasury bill and certificates of deposit that is invested with the same local banking institution. NFCC invests its reserve funds in lower risk investments with lower rates of return.

Cash and Cash Equivalents - NFCC considers all highly liquid investments with a maturity of three months or less when purchased to be "cash equivalents".

Grants receivable - Grants receivable represent amounts awarded by various government agencies as well as non-government entities. Grants receivable are due within one year and are recorded at their net realizable value.

Investments - Investments in certificates of deposit, credit union share certificates ("CUSCs") and United States Treasury bills are recorded at fair value. All investments are expected to be held to maturity. Interest income is reinvested and realized and unrealized gains and losses are included in the change in net assets. Interest on certificates of deposit accrues monthly and upon maturity for United States Treasury bills.

Inventories - Inventories consist principally of food held for the food pantry and merchandise held for the thrift shop and seasonal programs. Inventories received through contributions are recorded at fair market value which approximates net realizable value as defined by generally accepted accounting principles. Inventory purchased is recorded at cost.

Property and Equipment - Property and equipment are stated at cost and depreciated over their estimated useful lives using the straight-line method. NFCC's policy is to capitalize expenditures in excess of $2,500 and more than one year estimated useful life. Routine repairs and maintenance are charged to expense when incurred and renewals and betterments are capitalized. When property and equipment are retired or sold, the related cost and accumulated depreciation are removed from the respective accounts, and the resulting gains and losses are included in income.

NFCC reviews for impairment of long-lived assets in accordance with accounting standards. These standards require organizations to determine if changes in circumstances indicate that the carrying amount of its long-lived assets may not be recoverable. If a change in circumstances warrants such an evaluation, undiscounted future cash flows from the use and ultimate disposition of the asset, as well as respective market values, are estimated to determine if an impairment exists. Management believes that there has been no impairment of the carrying value of its long-lived assets at June 30, 2026 and 2025.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Beneficial Interest in Charitable Trust - NFCC has been named as an irrevocable beneficiary of a charitable trust held and administered by an independent trustee. The trust was created independently by the donor. NFCC has neither possession nor control over the assets of the trust. At the date NFCC receives notice of a beneficial interest, a contribution with a donor-imposed time restriction is recognized in the statements of activities and a beneficial interest in the trust is recognized in the statements of financial position at fair value using present value techniques and a risk-adjusted discount rate designed to reflect the assumptions market participants would use in valuing the expected distribution to be received upon the death of the donor. Thereafter, the beneficial interest in the trust is reported at fair value in the statements of financial position, with changes in fair value recognized in the statements of activities.

Income Taxes - NFCC is a nonprofit organization and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes is presented in these financial statements. NFCC is not considered to be a private foundation.

Uncertainty in Tax Positions - Accounting standards require the evaluation of tax positions taken, or expected to be taken, in the course of preparing NFCC's tax returns, to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. This statement provides that a tax benefit from an uncertain tax position may be recognized in the financial statements only when it is "more-likely-than-not" the position will be sustained upon examination, including resolution of any related appeals or litigation processes, based upon the technical merits and consideration of all available information. Once the recognition threshold is met, the portion of the tax benefit that is recorded represents the largest amount of tax benefit that is greater than 50 percent likely to be realized upon settlement with a taxing authority. Based on its review, management does not believe NFCC has taken any material uncertain tax positions, including any position that would place NFCC's exempt status in jeopardy, as of June 30, 2026 and 2025.

Reclassifications - Certain prior year amounts have been reclassified to conform with current year presentation.

Subsequent Events - NFCC has evaluated subsequent events through October 21, 2026, the date the financial statements were available to be issued.

NOTE 2 - REVENUE RECOGNITION

NFCC derives its revenue primarily from contributions, grants, thrift shop sales and special events. Contributions and grants are accounted for under contribution guidance established by ASC 958. Thrift shop sales are recognized at the point of sale and special events revenue is recognized at the time of the event, in amounts that reflect the consideration NFCC expects to be entitled to and in exchange for the value provided from the goods sold and benefit received during the event. Sales and other taxes NFCC collects concurrent with revenue-producing activities are excluded from revenue. Incidental items that are immaterial in the context of the contracts are recognized as expense. Costs incurred to obtain a contract are expensed as incurred when the amortization period is less than a year.

NFCC's contracts related to special events are cancelable at any time by either party and all thrift shop sales are final. NFCC's standard payment terms for special events are typically due before the scheduled event. Payment terms can vary based upon the entity that is paying. NFCC does not have any significant financing components. There is no variable consideration related to services provided.

NOTE 2 - REVENUE RECOGNITION - CONTINUED

Contract liabilities consisting of unearned sponsorship revenue and contract assets consisting of other receivables in connection with sponsorship payments receivable at June 30, 2026 and 2025 are presented on the statements of financial position. At July 1, 2025, contract assets totaled $34,134 and contract liabilities totaled $57,500.

Revenue from performance obligations satisfied at a point in time consist of thrift shop sales, sponsorships, and special events revenue.

NOTE 3 - LIQUIDITY AND AVAILABILITY

NFCC monitors its liquidity so that it is able to meet its operating needs while maximizing the investment of its excess operating cash. NFCC has the following financial assets less those unavailable for general expenditure within one year from the date of the financial statements.

	2026	2025
Financial Assets		
Cash and cash equivalents	**$ 784,655**	$ 1,009,194
Investments	**2,541,354**	2,518,710
Grants receivable	**31,334**	39,833
Other receivables	**5,263**	3,175
Beneficial interest in charitable trust	**275,695**	238,571
	3,638,301	3,809,483
Less those unavailable for general expenditure within one year:		
Net assets with purpose restrictions	**85,855**	197,751
Net assets with time-imposed restrictions	**275,695**	238,571
Financial assets available within one year of the statement of financial position date for general expenditure.	**$ 3,276,751**	$ 3,373,161

In addition to financial assets available to meet general expenditures over the year, NFCC anticipates covering its general expenditures by collecting revenue from thrift shop sales, collection of contributions and new grant awards. NFCC invests in short-term U.S. Treasury bills and certificates of deposit if sufficient funds are available and will not be needed for current expenses, liabilities, or other obligations. If needed these funds are available for general expenditures.

NOTE 4 - CONDITIONAL PROMISES TO GIVE

NFCC receives conditional funding from various government grants. This funding is recognized as NFCC meets the donor-imposed conditions, which generally represent incurring allowable costs related to the specific grants. NFCC had approximately $50,000 of unrecognized conditional promises to give at June 30, 2026 and 2025.

NOTE 5 - INVENTORIES

Inventories at June 30, 2026 and 2025 consist of the following:

	2026	2025
Thrift shop	**$ 224,230**	$ 191,805
Food pantry	**278,269**	259,195
Other	**6,840**	5,643
	$ 509,339	$ 456,643

NOTE 6 - PROPERTY AND EQUIPMENT

	2026	2025
Land and land improvements	**$ 2,198,767**	$ 2,198,767
Building and building improvements	**7,505,537**	7,394,522
Construction in progress	**6,000**	23,725
Furniture, fixtures and equipment	**529,327**	481,340
Vehicles	**153,804**	153,804
Software	**98,401**	33,901
Total cost	**10,491,836**	10,286,059
Less accumulated depreciation	**2,527,305**	2,217,589
	$ 7,964,531	$ 8,068,470

Depreciation expense was $323,645 and $320,936 for the years 2026 and 2025.

NOTE 7 - FAIR VALUE MEASUREMENTS

Fair values of the NFCC's financial assets measured on a recurring basis at June 30, 2026 and 2025 are as follows:

	2026			
	Fair Value	Level 1	Level 2	Level 3
Assets				
Beneficial interest in charitable trust	**$ 275,695**	$ -	$ -	$ 275,695
Investments:				
Certificates of deposit and CUSCs	**2,288,144**	-	2,288,144	-
Cash	**1,773**	1,773	-	-
Money market funds	**251,437**	251,437	-	-
Total investments	**$ 2,541,354**	$ 253,210	$ 2,288,144	$ -
	$ 2,817,049	$ 253,210	$ 2,288,144	$ 275,695

NOTE 7 - FAIR VALUE MEASUREMENTS - CONTINUED

	2025			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
Assets				
Beneficial interest in charitable trust	**$ 238,571**	$ -	$ -	$ 238,571
Investments:				
Certificates of deposit	**2,222,688**	-	2,222,688	-
U.S. Treasury bills	**296,022**	296,022	-	-
Total investments	**2,518,710**	296,022	2,222,688	-
	$ 2,757,281	$ 296,022	$ 2,222,688	$ 238,571

Assets carried at fair value are classified and disclosed in one of the following categories:

Level 1 - Valuations are based on quoted market prices in active markets for identical assets.

Level 2 - Valuations are based on observable market information, including quoted prices from actual market transactions for similar assets in markets that are not active.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. *Beneficial interest in charitable trust:* Valued and held by an independent financial institution. There were no transfers in or out of level 3 during 2026 or 2025.

NOTE 8 - LINE OF CREDIT

At June 30, 2024, NFCC had in place a $500,000 line of credit with a bank. Interest was payable at the bank's Prime rate plus 0.5% (9.00% at June 30, 2024) through maturity in December 2024. The line of credit was secured by land and building. There were no borrowings on the line of credit at June 30, 2024 and NFCC did not renew the line of credit at the date of maturity.

NOTE 9 - CONTRIBUTIONS OF NONFINANCIAL ASSETS

	2026	2025
Gift cards and vouchers	**$ 43,685**	$ 44,900
Thrift shop merchandise	**2,197,515**	2,115,522
Food	**6,227,417**	6,125,819
New clothing, school supplies, and toys	**773,349**	674,008
Assistance and other client services	**31,368**	59,888
Contributed vehicles	**-**	14,142
Temporary office and event space	**-**	29,471
	$ 9,273,334	$ 9,063,750

NOTE 9 - CONTRIBUTIONS OF NONFINANCIAL ASSETS - CONTINUED

NFCC recognized contributed services and materials within revenue and support, including gift cards and vouchers, thrift shop merchandise, food, new clothing, school supplies and toys, assistance and other client services, contributed vehicles and temporary office and event space. Unless otherwise noted, contributed services and materials did not have donor-imposed restrictions.

Gift cards and vouchers are provided as aid to individuals and families that are experiencing hardship. Gift cards and vouchers are valued based on the face value of the gift card or voucher.

Thrift shop merchandise consists of goods donated by community members to be distributed to clients at no charge through the Preferred Patron program or sold in the thrift shop. Donated goods distributed to clients totaled $714,886 and $680,116 in 2026 and 2025. Revenue derived from the sale of the donated items is reported in thrift shop revenue in the accompanying statements of activities and helps fund the operations and services NFCC provides. Thrift shop merchandise items are valued based on the thrift shop selling price.

Food items consist of donations to NFCC for use in their food assistance program. Individuals and families struggling to make ends meet can significantly reduce their food expenses by utilizing this service. Food donated is valued based on current market prices at the date of the donation.

New clothing, school supplies, and toys relate to seasonal assistance programs that occur at various times during the year. Items collected are valued based on the current market price at the date of donation.

Assistance and other client services relates to various program related support received including job postings, culture assessments, satellite pantry related activities and computer lab received at various times during the year and valued based on the fair market value of the benefit received at the date of donation.

In accordance with NFCC policy, contributed vehicles are distributed to an individual or family based on certain criteria. Contributed vehicles are valued based on used car pricing models. NFCC discontinued its vehicle donation program during 2026.

Temporary office and event space represents donated parking space used by the Barbara Duffy Center along with space donated by various organizations in the area for programs and events.

NOTE 10 - RETIREMENT PLANS

NFCC has a 403(b) savings plan for all eligible employees. The Plan provides for voluntary contributions up to the maximum allowed by the Internal Revenue Code. Employees are always 100% vested in their contributions and become fully vested in NFCC contributions after four years of service. NFCC matches 100% of the first 4% of compensation contributed by the employees. Contributions totaled $49,230 and $41,015 for the years 2026 and 2025.

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or time restrictions at June 30, 2026 and 2025:

	2026	2025
Subject to expenditure for specified purposes:		
Financial assistance	**$ -**	$ 6,636
Family enrichment	**9,000**	2,668
Food pantry	**44,355**	84,578
Other	**32,500**	103,869
	85,855	197,751
Subject to time imposed restrictions:		
Beneficial interest in charitable trust	**275,695**	238,571
	$ 361,550	$ 436,322

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose as follows for the years ended June 30, 2026 and 2025:

	2026	2025
Satisfaction of purpose restrictions:		
Capital	**$ -**	$ 27,446
Financial assistance	**343,713**	245,866
Family enrichment	**79,285**	95,904
Food pantry	**226,816**	217,417
Other	**238,674**	201,401
	$ 888,488	$ 788,034

NOTE 12 - CONTRIBUTED SERVICES (UNAUDITED)

NFCC receives contributed services from volunteers throughout the year for various non-specialized functions performed within the Organization. These services do not meet the recognition criteria and, accordingly, no amounts have been recognized in the accompanying statements of activities.

The services by capacity are as follows for the year ended June 30, 2026:

	Number of Hours	Estimated Value
Thrift shop	28,257	$ 423,857
Office and food pantry	38,586	578,789
General volunteer work	5,439	92,283
Food pick-up and delivery	5,096	76,440
Special projects	2,855	42,824
	80,233	$ 1,214,193