



**AMERICANS HELPING AMERICANS, INC.**

**Financial Statements**

*For the Year Ended June 30, 2020*

*(With Summarized Financial Information for the Year Ended June 30, 2019)*



**and  
Report Thereon**



**AMERICANS HELPING AMERICANS, INC.**

**TABLE OF CONTENTS**  
**For the Year Ended June 30, 2020**

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	<i><b>Page</b></i>
Independent Auditors' Report.....	1-2
Financial Statements	
Statement of Financial Position .....	3
Statement of Activities .....	4
Statement of Functional Expenses .....	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7-12

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Americans Helping Americans, Inc.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Americans Helping Americans, Inc. (the Organization), an affiliate of Christian Relief Services Charities, Inc., which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Continued

- 1 -

**Opinion**

In our opinion, the 2020 financial statements referred to above present fairly, in all material respects, the financial position of Americans Helping Americans, Inc. as of June 30, 2020, 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.

**Other Matters***Report on the Summarized Comparative Financial Statements*

We have previously audited the Organization's 2019 financial statements, and in our report dated November 5, 2019, we expressed an unmodified audit opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Handwritten signature of Marcum LLP in black ink.

Washington, DC  
October 26, 2020

**AMERICANS HELPING AMERICANS, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2020**  
**(With Summarized Financial Information as of June 30, 2019)**

	2020	2019
<b>ASSETS</b>		
Cash	\$ 108,861	\$ 58,845
Contributions receivable, net	21,941	22,565
Program related investment	250,000	250,000
<b>TOTAL ASSETS</b>	<b>\$ 380,802</b>	<b>\$ 331,410</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 5,889	\$ 5,244
Due to affiliates	23,465	18,853
<b>TOTAL LIABILITIES</b>	<b>29,354</b>	<b>24,097</b>
<b>Net Assets</b>		
Without donor restrictions	331,940	287,045
With donor restrictions	19,508	20,268
<b>TOTAL NET ASSETS</b>	<b>351,448</b>	<b>307,313</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 380,802</b>	<b>\$ 331,410</b>

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

**AMERICANS HELPING AMERICANS, INC.**

**STATEMENT OF ACTIVITIES**

**June 30, 2020**

**(With Summarized Financial Information for the Year Ended June 30, 2019)**

	2020			
	Without Donor Restrictions	With Donor Restrictions	Total	2019 Total
<b>REVENUE AND SUPPORT</b>				
Noncash contributions from affiliate	\$ 383,943	\$ -	\$ 383,943	\$ 522,641
Cash contributions from affiliates	400,000	-	400,000	510,000
Cash contributions	42,558	10,523	53,081	36,594
Workplace campaign contributions	-	24,396	24,396	22,820
Interest income	12,522	-	12,522	6,101
Other income	-	-	-	7,571
Net assets released from restrictions:				
Satisfaction of time restrictions	25,156	(25,156)	-	-
Satisfaction of purpose restrictions	10,523	(10,523)	-	-
	<u>874,702</u>	<u>(760)</u>	<u>873,942</u>	<u>1,105,727</u>
<b>TOTAL REVENUE AND SUPPORT</b>				
<b>EXPENSES</b>				
Program Services:				
Domestic programs	804,067	-	804,067	825,917
	<u>804,067</u>	<u>-</u>	<u>804,067</u>	<u>825,917</u>
Total Program Services				
Supporting Services:				
Management and general	20,971	-	20,971	14,849
Fundraising	4,769	-	4,769	4,690
	<u>25,740</u>	<u>-</u>	<u>25,740</u>	<u>19,539</u>
Total Supporting Services				
	<u>829,807</u>	<u>-</u>	<u>829,807</u>	<u>845,456</u>
<b>TOTAL EXPENSES</b>				
<b>CHANGE IN NET ASSETS</b>	44,895	(760)	44,135	260,271
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>287,045</u>	<u>20,268</u>	<u>307,313</u>	<u>47,042</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 331,940</u>	<u>\$ 19,508</u>	<u>\$ 351,448</u>	<u>\$ 307,313</u>

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

**AMERICANS HELPING AMERICANS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**June 30, 2020**  
(With Summarized Financial Information for the Year Ended June 30, 2019)

	2020				2019
	Domestic Programs	Management and General	Fundraising	Total	Total
Donated relief materials	\$ 383,943	\$ -	\$ -	\$ 383,943	\$ 522,641
Cash grants	304,655	-	-	304,655	231,455
Salaries, wages and benefits	86,297	-	-	86,297	57,728
Office supplies, dues and subscriptions	8,887	9,873	4,769	23,529	12,254
Provision for doubtful accounts	8,583	-	-	8,583	-
Professional and consulting	-	7,280	-	7,280	7,280
Payroll taxes	5,904	-	-	5,904	3,787
Meetings and travel	2,729	-	-	2,729	2,538
Rent and operating expenses	-	2,257	-	2,257	3,069
Printing and production	2,105	-	-	2,105	343
General insurance	-	907	-	907	587
Postage	679	-	-	679	157
Bank charges	-	654	-	654	746
Telephone	215	-	-	215	-
Shipping	70	-	-	70	121
Contract services	-	-	-	-	2,750
	<u>\$ 804,067</u>	<u>\$ 20,971</u>	<u>\$ 4,769</u>	<u>\$ 829,807</u>	<u>\$ 845,456</u>
TOTAL EXPENSES	<u>\$ 804,067</u>	<u>\$ 20,971</u>	<u>\$ 4,769</u>	<u>\$ 829,807</u>	<u>\$ 845,456</u>

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

**AMERICANS HELPING AMERICANS, INC.**

**STATEMENT OF CASH FLOWS**

**For the Year Ended June 30, 2020**

**(With Summarized Financial Information for the Year Ended June 30, 2019)**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 44,135	\$ 260,271
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Provision for doubtful accounts	(852)	(11,164)
Noncash contributions from affiliate	(383,943)	(522,641)
Donated relief materials	383,943	522,641
Changes in assets and liabilities:		
Contributions receivable	1,476	3,532
Due from affiliates	-	40,115
Accounts payable and accrued expenses	645	1,651
Due to affiliates	4,612	(13,507)
	<u>50,016</u>	<u>280,898</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Loan made for program related investment	<u>-</u>	<u>(250,000)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>-</u>	<u>(250,000)</u>
NET INCREASE IN CASH	50,016	30,898
CASH, BEGINNING OF YEAR	<u>58,845</u>	<u>27,947</u>
CASH, END OF YEAR	<u>\$ 108,861</u>	<u>\$ 58,845</u>

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



# AMERICANS HELPING AMERICANS, INC.

## NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2020

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### 1. Organization and Summary of Significant Accounting Policies

#### **Organization**

Americans Helping Americans, Inc. (the Organization) was incorporated in 1990 and is a subordinate unit under the group exemption of Christian Relief Services Charities, Inc. (CRSC), a nonprofit 501(c)(3) organization. The Organization was organized to assist in the alleviation of human suffering, misery, pain and disability by helping fellow Americans with basic necessities, such as shelter, home repair, food, clothing and medical assistance throughout the United States.

The Organization has field partners in Georgia, Kentucky, Tennessee, North Carolina and West Virginia. These field partners join the local communities to build and strengthen neighbor relations and work side by side with residents to address community-wide concerns, linking resources supportive of a healthy, safe and economically vibrant standard of living. In addition, the field partners focus specifically on programs in Appalachia developed to address some of the most critical needs faced by the Appalachian people. The other field office empowers low-income individuals and families to get actively involved in their communities and to develop programs and services to meet their needs.

The Organization also makes grants and provides in-kind materials to community-based nonprofits and local churches in Maryland, New York, Indiana, Pennsylvania, Arkansas and Virginia to assist with their programs helping the disadvantaged and impoverished in their communities.

The Organization received approximately 90% of its support and revenue from Christian Relief Services, Inc. (CRSI), an affiliate of CRSC and the remaining 10% from the public through participation in workplace campaigns and direct donations.

#### **Basis of Accounting and Presentation**

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Consequently, revenue is recognized when earned and expenses are recognized when the obligation is incurred.

#### **Net Assets**

The net assets of the Organization are classified as follows:

- Net assets without donor restrictions represent funds that are available for support of the Organization's operations.
- Net assets with donor restrictions represent amounts that are subject to donor-imposed restrictions to be used for various programs or within a specific time period. These donor restrictions can be temporary in nature in that they will be met by the Organization's activities or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor stipulated that the funds must be maintained in perpetuity. As of June 30, 2020, the Organization had no net assets that were required to be maintained in perpetuity.

# AMERICANS HELPING AMERICANS, INC.

## NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2020

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### 1. Organization and Summary of Significant Accounting Policies (continued)

#### **Revenue and Support Recognition**

Unconditional gifts and grants of cash and other assets are recognized as revenue and support at their net realizable value when an unconditional promise to give is received by the Organization. The Organization reports unconditional gifts and grants of cash and other assets as increases in net assets without donor restrictions available for general operations unless specifically restricted by the donor.

The Organization reports unconditional gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets for purpose or time. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions. Workplace campaign contributions with payments due in future years are reported as revenue with donor restrictions in the accompanying statement of activities. 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. The Organization had no conditional grants as of June 30, 2020.

Revenue and support recognized on contributions that have been committed to the Organization, but have not been received, is reflected as contributions receivable in the accompanying statement of financial position. Contributions receivable are reported net of an allowance for doubtful accounts. The allowance is based on historical collection experience and a review of the current status of contributions receivable. A provision for doubtful accounts is made when collection of the full amount is no longer probable.

#### **Noncash Contributions**

Noncash contributions from an affiliate represent contributions of food, clothing, hygiene products, shoes, school supplies and blankets that were made to CRSI, an affiliate of the Organization, a portion of which was then donated to the Organization for its program partners. The donated items are recorded as revenue and expenses at their estimated fair value at the date of donation. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Organization's programs are also furthered by a substantial number of nonprofessional volunteers who have contributed their services to the Organization. The value of these services is not reflected in the accompanying financial statements because the contributed services do not meet the criteria for recognition under GAAP.

#### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of functional expenses. Expenses directly attributed to a specific functional area of the Organization are reported as expenses of those

**AMERICANS HELPING AMERICANS, INC.**

**NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2020**

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1. Organization and Summary of Significant Accounting Policies (continued)

**Functional Allocation of Expenses (continued)**

functional areas. Salaries and benefits that benefit multiple CRSC affiliates have been allocated among the CRSC affiliates based on estimates determined by management to be equitable. Occupancy and depreciation expense are allocated by the square footage used by each affiliate.

All other shared costs are recorded in the parent company and not allocated since the amounts are not significant to the financial statements of the affiliates.

**Estimates**

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

**New Accounting Pronouncement**

In June 2018, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958)*, to clarify and improve the scope and the accounting guidance for contributions received and contributions made. ASU 2018-08 assists entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions, subject to other guidance, and determining whether a contribution is conditional. The Organization adopted ASU 2018-08 on July 1, 2019, using the modified prospective basis and the adoption of the standard did not result in a material change to the financial statements or the timing of revenue recognition for the Organization's grants and contributions.

2. Contributions Receivable

Contributions receivable represent unconditional promises to give and are recorded at their net realizable value. All receivables are expected to be collected within one year. The Organization has recorded an allowance for doubtful accounts of \$7,295 as of June 30, 2020.

3. Program Related Investment

Program related investments (PRI) are strategic investments for the specific objective of furthering the Organization's charitable purpose. The production of income is not the primary objective. During the year ended June 30, 2019, the Organization entered into one PRI for \$250,000. The PRI is in the form a loan and is intended to support a local field partner in Virginia. Interest only payments of \$3,125 are due on a quarterly basis until the loan matures on December 27, 2023. Principal payments of \$2,500 per \$250,000 of revenue exceeding \$1,000,000 are only due if the borrower's gross revenue as defined in the agreement exceeds \$1,000,000. There were no principal payments made on the loan during the year ended June 30, 2020. The loan is unsecured. Management determines the allowance for doubtful accounts by identifying troubled accounts. Program related investments are written off when deemed uncollectible.

**AMERICANS HELPING AMERICANS, INC.**

**NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2020**

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4. Net Assets With Donor Restrictions

As of June 30, 2020, net assets with donor restrictions were in the amount of \$19,508 and were restricted for use in future periods.

5. Transactions with Affiliates

The Organization is an affiliate of CRSC, CRSI, CRSC Residential and Christian Relief Services Virginia (CRS Virginia). The Organization, CRSC and CRSI share a common board. CRSI acts as the fundraising arm for CRSC and its affiliates. CRSI raises both cash and noncash contributions for CRSC and its affiliates, and the contributions are distributed to the entities based on program objectives and need.

During the year ended June 30, 2020, CRSI made cash contributions to the Organization of \$400,000 and noncash contributions of \$383,943. These cash and noncash contributions from CRSI represent 90% of the Organization's support and revenue for the year ended June 30, 2020, and the contributions to the Organization from the affiliates are dependent on support from the general public.

As of June 30, 2020, the Organization owed CRSC \$23,425 for salaries and benefits and owed CRS Virginia \$40 for office expense, which is shown as due to affiliates in the accompanying statement of financial position.

6. Availability of Resources and Liquidity

The Organization regularly monitors liquidity required to meet its annual operating needs and other contractual commitments. The Organization's financial assets available within one year of the statement of financial position date for general expenditures were as follows:

Cash	\$ 108,861
Contributions receivable	<u>21,941</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$ 130,802</u>

The Organization's primary source of liquidity is cash and receivables, which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of the Organization throughout the year. This is done through monitoring and reviewing the Organization's cash flow needs on a regular basis. As deemed necessary by the Organization's management, cash grants are received from other affiliated organization to fund operations.

AMERICANS HELPING AMERICANS, INC.

NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2020

7. Pension Plan

Employees of the Organization are eligible to participate in a 401(k) plan sponsored by CRSC after 60 days of service. Under the terms of the defined contribution plan, eligible employees may elect to contribute up to the federal tax limitation.

The plan has the following employee deferral and matching provisions:

<u>Elective Deferral</u>	<u>Employer Matching</u>
1%	150% of employee contribution
1% – 3%	100% of employee contribution
3% – 6%	50% of employee contribution

On January 1, 2020, the plan was amended to increase the employer matching provisions as follows:

<u>Elective Deferral</u>	<u>Employer Matching</u>
1%	400% of employee contribution
1% – 5%	100% of employee contribution

Employees are immediately vested in employer contributions. During the year ended June 30, 2020, retirement expense related to the plan was \$4,681.

8. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code, the Organization is a nonprofit organization and is exempt from federal taxes on income other than net unrelated business income. No provision for federal or state income taxes was required as of June 30, 2020, as the Organization had no taxable net unrelated business income.

The Organization follows the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB Accounting Standards Codification Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organization performed an evaluation of uncertainty in income tax positions taken for the year ended June 30, 2020, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. As of June 30, 2020, there are no audits for any tax periods pending or in progress. It is the Organization's policy to recognize interest and/or penalties related to uncertainty in tax positions, if any, in interest or income tax expense. As of June 30, 2020, the Organization had no accruals for interest and/or penalties.

**AMERICANS HELPING AMERICANS, INC.**

**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

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9. Prior Year Summarized Financial Information

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

10. Reclassification

Certain 2019 amounts have been reclassified to conform to the 2020 financial statement presentation.

11. Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 26, 2020, the date the financial statements were available to be issued. Except as noted below, there were no subsequent events that require recognition or disclosure in the financial statements.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic that continues to spread throughout the United States. The Organization is monitoring the outbreak of COVID-19 and the related business and travel restrictions and changes to behavior intended to reduce its spread, in addition to the impact on its employees. The Organization has been able to continue operations in a remote environment; however, at this point, the extent to which COVID-19 will impact the Organization's financial condition or result of operations is uncertain and being evaluated by management and the Board.