



HEARTS FOR HOMES

Denton, Texas

Financial Statements

For the Year Ended December 31, 2020

With Summarized Comparative Information
For the Year Ended December 31, 2019

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Wade R. Moran CPA, PLLC
Certified Public Accounting Firm

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
HEARTS FOR HOMES
Denton, Texas

We have audited the accompanying statements of HEARTS FOR HOMES (a Texas nonprofit organization), which comprise the statement of financial position as of December 31, 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.

Auditor's 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 auditor's 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 entity'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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HEARTS FOR HOMES as of December 31, 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.

Report on Summarized Comparative Information

We have previously audited HEARTS FOR HOMES' 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 9, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Wade R. Moran, CPA

Wade R. Moran CPA, PLLC

Dallas, Texas

November 9, 2021

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HEARTS FOR HOMES
Statement of Financial Position
December 31, 2020 With Summarized Comparative Totals for 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents (Note 2-Section 4 and Note 3)	\$ 254,967	\$ 263,893
Inventory (Note 4)	12,250	12,431
Prepaid Expenses (Rent/Insurance)	<u>4,474</u>	<u>4,021</u>
Total Current Assets	<u>271,691</u>	<u>280,345</u>
Net Property and Equipment (Note 2-Section 5 and Note 5)	<u>41,315</u>	<u>26,719</u>
Other Assets		
Deposits (Note 10)	<u>6,000</u>	<u>6,000</u>
Total Other Assets	<u>6,000</u>	<u>6,000</u>
TOTAL ASSETS	\$ <u>319,006</u>	\$ <u>313,064</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable and Accrued Liabilities	<u>\$ 14,000</u>	<u>\$ 9,923</u>
Total Liabilities (All Current)	14,000	9,923
Net Assets (Note 2-Section 7)		
Without Donor Restrictions	297,006	268,141
With Donor Restrictions (Note 3 and Note 6)	<u>8,000</u>	<u>35,000</u>
Total Net Assets	<u>305,006</u>	<u>303,141</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>319,006</u>	\$ <u>313,064</u>

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

HEARTS FOR HOMES
Statement of Activities
Year Ending December 31, 2020 With Summarized Comparative Totals for 2019

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Totals	Totals
CHANGE IN NET ASSETS				
REVENUE AND PUBLIC SUPPORT				
Contributions (Note 7)	\$ 196,520	\$ 0	\$ 196,520	\$ 153,908
Grants (Note 7)	100,225	17,375	117,600	150,500
Fundraising-Net	0	0	0	31,794
Interest Income	109	0	109	231
Gain on Sale of Fixed Asset	3,000	0	3,000	0
Other Income	422	0	422	2,034
In-Kind Contributions (Note 8)	43,450	0	43,450	37,993
Total Revenue and Public Support	343,726	17,375	361,101	376,460
Net Assets Released from Restrictions				
Satisfaction of Program Restrictions (Note 9)	44,375	(44,375)	0	0
Total Revenue and Public Support	388,101	(27,000)	361,101	376,460
EXPENSES				
Program Services				
Repair Projects	285,951	0	285,951	301,311
Support Services				
Fundraising	31,740	0	31,740	34,713
General and Administrative	41,545	0	41,545	38,227
Total Expenses	359,236	0	359,236	374,251
CHANGE IN NET ASSETS	28,865	(27,000)	1,865	2,209
NET ASSETS AT BEGINNING OF YEAR	268,141	35,000	303,141	300,932
NET ASSETS AT END OF YEAR	\$ 297,006	\$ 8,000	\$ 305,006	\$ 303,141

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

HEARTS FOR HOMES
Statement of Functional Expenses
Year Ending December 31, 2020 With Summarized Comparative Totals for 2019

<u>Natural Expense Categories</u>	<u>Program Services</u>		<u>Support Services</u>		<u>Total</u> 2020	<u>Total</u> 2019
	<u>Repair Projects</u>	<u>Fundraising</u>	<u>General and Administrative</u>			
Salaries and Wages	\$ 103,700	\$ 29,596	\$ 20,262	\$	\$ 153,558	\$ 113,864
Payroll Taxes	6,720	2,113	1,343		10,176	10,959
Advertising (Note 2-Section 10)	0	31	0		31	938
Professional Services	0	0	7,993		7,993	6,974
Occupancy Costs						
Rent (Note 10)	24,030	0	2,970		27,000	25,200
Taxes and Insurance (Note 10)	6,408	0	792		7,200	8,873
Repairs	765	0	94		859	490
Utilities	4,414	0	545		4,959	5,301
Travel Expenses	0	0	0		0	652
Depreciation (Note 5)	9,038	0	2,976		12,014	9,036
Insurance	9,472	0	1,171		10,643	8,872
Project Costs*	94,015	0	0		94,015	145,941
Other Costs*						
Automobile	5,257	0	0		5,257	5,837
Donations	164	0	0		164	54
Dues and Subscriptions	1,090	0	0		1,090	1,384
Supplies and Office Expenses	8,965	0	2,241		11,206	18,431
Telephone	4,627	0	1,157		5,784	5,971
Volunteers and Other Costs	7,287	0	0		7,287	5,474
Total Expenses	\$ 285,951	\$ 31,740	\$ 41,545	\$	\$ 359,236	\$ 374,251

* Expense includes in-kind contributions (See Footnote 8)

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

HEARTS FOR HOMES
Statement of Cash Flows
Year Ending December 31, 2020 With Summarized Comparative Totals for 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,865	\$ 2,209
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	12,014	9,036
Gain on Sale of Fixed Asset	(3,000)	0
Change in Inventory	181	2,039
Change in Prepaid Expenses	(453)	(1,421)
Change in Accounts Payable and Accrued Liabilities	4,077	6,048
Net Cash Provided by Operating Activities	<u>14,684</u>	<u>17,911</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Fixed Asset	3,000	0
Purchase of Fixed Assets	<u>(26,610)</u>	<u>0</u>
Net Cash Provided (Used) by Financing Activities	(23,610)	0
 NET CHANGE IN CASH AND CASH EQUIVALENTS	(8,926)	17,911
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>263,893</u>	<u>245,982</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 254,967</u>	<u>\$ 263,893</u>
 SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION		
Noncash		
In-Kind Contributions	\$ 43,450	\$ 37,993

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

HEARTS FOR HOMES
Notes to the Financial Statements
December 31, 2020

NOTE 1 – NATURE OF ACTIVITIES

HEARTS FOR HOMES (the “Organization”) is a non-profit Christian outreach providing hope and dignity through home rehab, affording low-income seniors a safe, comfortable, and well-functioning home. The mission of the Organization is to improve the living conditions of low income senior homeowners in Denton County, Texas.

The purpose of the Organization is to work together with other organizations and individuals to identify homeowners who are in need of assistance, (2) to seek and develop funding/donation resources, (3) to provide home repairs, rehabilitation, and/or construction to individuals/families through donated/volunteered/purchased services, (4) to provide oversight and accountability for funds raised, funds distributed, and results achieved, (5) to serve as a central resource for the recruitment, training, and deployment of volunteers, (6) to serve others as our Lord and Savior, Jesus, serves us.

Hearts for Homes provides no-cost home repairs to very low-income senior homeowners based on the following guidelines: (1) 60 years of age or older, (2) resident of Denton County, (3) own their own home, (4) repairs must fall in "need" rather than "want" category, (5) proof of income must be provided, (6) household income is no more than 160% of federal poverty guidelines. Awareness of needy homeowners is supplied by various county social services and health support organizations.

Ministry achievements in Note 14 (including the impact in the community since inception in 2006) denotes that the home repair services provided needy homeowners in the Denton County area were 100 in 2020 and 105 in 2019. The projects included necessary repairs to plumbing, roofing, electrical, flooring, HVAC, appliance replacement, just to name a few. Needy and/or low income seniors can qualify for assistance in needed repairs that will provide a safe living environment.

The Organization’s primary sources of revenue are free-will donations from supporters and the general public. The Organization was incorporated under the laws of the State of Texas.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management selects accounting principles generally accepted in the United States of America and adopts methods for their application. This summary of significant accounting policies selected by the Organization’s management is presented to assist in understanding the financial statements.

- 1) Basis of Accounting - The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recorded when incurred on the accrual basis of accounting.
- 2) Programs - The Organization pursues its objectives through the execution of these major programs:
 - Program Services-The Organization provides no cost home repairs services for low income seniors in Denton County.
 - Supporting Services
 - Fundraising-This program supports the general operations of the Organization.
 - General and administrative-This program supports the general operations of the Organization.
- 3) Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Accordingly, it is reasonably possible for actual results to differ from those estimates.
- 4) Cash Equivalents - For statement of cash flow purposes, cash equivalents include highly liquid investments that are readily convertible to known amounts of cash. The Organization estimates that the fair value of cash and cash equivalents do not differ materially from the aggregate carrying value recorded in the accompanying statement of financial position as of December 31, 2020.

HEARTS FOR HOMES
Notes to the Financial Statements
December 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- 5) Property and Equipment - It is the Organization's policy to capitalize property and equipment with an acquisition cost greater than \$1,000. Lesser amounts are expensed. Donations of property and equipment are capitalized, and recorded as support, at their fair value at the date of receipt. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without restrictions at that time. The cost of maintenance and repairs are charged to expense as incurred. Property and equipment are depreciated using the straight-line method over the estimated useful life of the assets
- 6) Impairment of Long-Lived Assets - Management evaluates its long-lived assets for financial impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss is recognized when the undiscounted future cash flows from the assets are less than the carrying value of the assets. Assets to be disposed of are reported at the lower of their carrying amount or fair value, less cost to sell. Management is of the opinion that the carrying amount of its long-lived assets does not exceed their estimated recoverable amount.
- 7) Net Asset Accounting - NEW ACCOUNTING PRONOUNCEMENT - *Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The Organization has adjusted the presentation of its financial statements accordingly, applying the changes retrospectively. The new standards change the following aspects of the Organization's financial statements:

The temporarily restricted and permanently restricted net asset classes have been combined into a single net asset class called net assets with donor restrictions (net assets subject to donor-imposed restrictions).

The unrestricted net asset class has been renamed net assets without donor restrictions (net assets not subject to donor-imposed restrictions).
- 8) Contributions – Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Restrictions on gifts of fixed assets or cash for the purchase of fixed assets expire when the asset is placed in service.
- 9) Donated Assets and Services - Donated property is recorded at fair market value on the date of receipt in the appropriate investment, expense or equipment account. In the absence of donor restrictions, donated assets are reported as unrestricted revenue. Contributed services are recognized as unrestricted revenues if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution.
- 10) Advertising - The Organization utilizes advertising primarily to promote fundraising efforts. The costs of advertising are expensed when incurred and advertising expense was \$31 for the year ended December 31, 2020.
- 11) Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are compensation and benefits, which are allocated on the basis of estimates of time and effort; occupancy costs and depreciation, which are allocated on a square footage/usage basis.

HEARTS FOR HOMES
Notes to the Financial Statements
December 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- 12) Uncertain Tax Positions - Organization is a not-for-profit organization that is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code as other than a private foundation. The Organization is not aware of any activities that would jeopardize its tax-exempt status and is not aware of any activities that are subject to tax on unrelated business income. As of December 31, 2020, the Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. With few exceptions, Federal information returns filed prior to 2017 for the Organization are no longer subject to examination.
- 13) Subsequent Events – Management reviewed Type 1 subsequent events (events that reveal conditions existing at or before the balance sheet date and require adjustment to the financial statements) and Type 2 subsequent events (events that reveal conditions arising after the balance sheet date and require disclosure in, but not adjustment to, the financial statements). One Type 2 subsequent event was noted. On January 30, 2020, the World Health Foundation (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2020 or 2021. Subsequent events were evaluated through November 9, 2021 which is the date of the report. The Organization did receive an SBA PPP Loan to provide short-term COVID-19 Relief in 2020 (See Note 7).
- 14) Recent Accounting Pronouncements – The accounting principles governing the reported amounts, presentations, and disclosures in the financial statements are subject to change from time to time based on the issuance of new pronouncements of various standard-setting bodies. New pronouncements not yet in effect as of December 31, 2020, will not have a material effect on the financial statements of financial position, activities, and cash flows.
- 15) Fair Value Measurements and Disclosures - Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 *Fair Value Measurements and Disclosures* established a framework for measuring fair value. That framework provides for a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows: *Level 1* - Inputs based on unadjusted quoted prices for identical assets or liabilities accessible at the measurement date, *Level 2* – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets, and *Level 3* - Unobservable inputs for the asset or liability including the reporting entity’s own assumptions in determining the fair value measurement. The methods described above may produce a fair value calculation that may not be indicative of net realizable value, or reflective of future fair values. Furthermore, while the Organization believes that its valuation methods are appropriate and consistent with other market techniques, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The estimated fair values of the Organization’s financial instruments not measured at fair value, including cash and cash equivalents, prepaid expenses, deposits, and accounts payable and accrued liabilities approximated their carrying values based on the short-term nature of these items as of December 31, 2020.

HEARTS FOR HOMES
Notes to the Financial Statements
December 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

16) Prior Year Summarized Financial Information – The financial statements are presented with certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended December 31, 2019 from which the summarized information was derived.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial Assets at Year-End	
Cash and Cash Equivalents	\$ 254,967
Total Financial Assets Available	254,967
Less: Donor Imposed Restrictions	<u>(8,000)</u>
Financial Assets Available to Meet Cash Needs	
General Expenditures within One Year	<u>\$ 246,967</u>

NOTE 4 – INVENTORY

The inventory consists primarily of home construction materials and supplies purchased or donated by businesses and individuals from the Denton County area. The materials are stored in a 3,470 SF warehouse adjacent to the Organization’s office at 826 E. McKinney in Denton. The donations are in short case lots and for financial reporting the retail value is discounted. The estimated retail value of the inventory is \$49,000, and for financial reporting discounted to 25% of retail or \$12,250 as of December 31, 2020.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment are used for operating purposes and consisted of the following at December 31, 2020:

Computer Equipment (5 years)	\$ 20,626
Furniture, Equipment and Tools (5-10 years)	37,797
Improvements (5-7 years)	22,437
Vehicles and Trailers (5-7 years)	<u>48,922</u>
Total Property and Equipment	129,782
Less: Accumulated Depreciation	<u>(88,467)</u>
Net Property and Equipment	<u>\$ 41,315</u>

Depreciation expense for the year ended December 31, 2020 was \$12,014.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2020 consist of cash and cash equivalent balances and are available from the following sources:

Purpose (Use) Restriction	\$ 8,000
Total	<u>\$ 8,000</u>

HEARTS FOR HOMES
Notes to the Financial Statements
December 31, 2020

NOTE 7 – CONTRIBUTIONS AND GRANTS REVENUE

Contribution revenues from donors for the year ended December 31, 2020 were from the following sources:

Church Contributions	\$ 23,118
Corporate Contributions	6,258
Individual Contributions	164,440
Other Nonprofit Organizations	<u>2,704</u>
Total	<u>\$ 196,520</u>

Due to COVID-19 restrictions, fundraising events were not held in person. As a result, all fundraising activities were conducted online, via mail, and telephone solicitation. The proceeds from these significant efforts are included in Contribution revenues in 2020.

Grant revenues from other agencies for the year ended December 31, 2020 were from the following sources:

Corporate and Business Grants	\$ 6,500
Foundation and Trust Grants	40,377
United Way and North Texas Cares Grants	25,917
Small Business Administration	25,721
Other Nonprofit Organization Grants	<u>19,085</u>
Total	<u>\$ 117,600</u>

NOTE 8 – IN-KIND CONTRIBUTIONS

In-kind contributions for the year ended December 31, 2020 were used for the following purposes:

Project Costs	\$ 34,086
All Others	<u>9,364</u>
Total	<u>\$ 43,450</u>

NOTE 9 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions as expenses were incurred which simultaneously satisfied the restricted purposes of the funds. Net assets released during the year ending December 31, 2020 are as follows:

Satisfaction of Program Restrictions	
Purpose (Use) Restriction	<u>\$ 44,375</u>
Total	<u>\$ 44,375</u>

NOTE 10 - LEASE COMMITMENTS

The Organization conducts its Denton operations from a facility that is under a non-cancelable operating lease. The leased space is approximately 3,900 SF. The lease term was from June 1, 2014 to May 31, 2017 at a base rent of \$2,000 per month. The lease was extended until May 31, 2020 with a base rent of \$2,100. The lease has been extended again beginning June 1, 2020 and ending May 31, 2023 with a base rent of \$2,400. A security deposit of \$2,000 plus rent prepayment of \$4,000 was required at the inception of the lease. The Organization opts to pay \$500 monthly expense reimbursement payments for real estate taxes, insurance, and common area maintenance.

Future minimum lease payments are:

2021	\$ 28,800
2022	34,800
2023 (\$14,500 less \$4,000 prepayment)	<u>10,500</u>
Total future minimum lease payments	<u>\$ 74,100</u>

Rental expense for this facility included in Occupancy costs was \$27,000 for the year ended December 31, 2020. Insurance and taxes for this facility included in Occupancy costs was \$7,200 for the year ended December 31, 2020.

HEARTS FOR HOMES
Notes to the Financial Statements
December 31, 2020

NOTE 11 — CONCENTRATION OF CREDIT RISK

The Organization maintains its operating cash in bank deposit accounts that have not exceeded federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk of loss of cash.

NOTE 12 – COMPENSATED ABSENCES

Employees of the Organization are entitled to paid vacation and personal days off, depending on length of service and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the financial statements. The Organization’s policy is to expense the costs of compensated absences when actually paid to employees.

NOTE 13 – VOLUNTEER CONTRIBUTED SERVICES

The Organization is assisted by volunteers who contribute services to the organization’s projects. Volunteer hours during the fiscal year ending December 31, 2020 are estimated to be approximately 2,776. A substantial number of board members also contribute their services to develop programs and assist in program administration. Board member volunteer hours included in the volunteer hours noted above are estimated to be approximately 231. Volunteer services are not recorded in these financial statements since they do not meet the criteria set forth in Note 2 under Donated Assets and Services. The table below denotes the impact the Organization’s volunteers have made on the Denton County community and in the lives of the seniors they serve since inception in 2006. Due to COVID-19 restrictions, volunteer hours significantly decreased in 2020.

Year Assisted	Families	Work Days	Volunteer Hours
2006	14	30	1,107
2007	23	106	3,609
2008	19	67	5,967
2009	22	116	5,109
2010	19	135	5,823
2011	24	112	4,894
2012	24	133	6,307
2013	29	172	6,314
2014	28	195	9,284
2015	32	263	6,306
2016	67	359	4,456
2017	73	293	5,967
2018	84	512	4,825
2019	105	747	6,792
2020	<u>100</u>	<u>637</u>	<u>2,776</u>
Totals	<u>663</u>	<u>3,877</u>	<u>79,982</u>