

Crisis Assistance Ministry

Financial Statements

Year Ended June 30, 2025

CRISIS ASSISTANCE MINISTRY
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Crisis Assistance Ministry
Charlotte, North Carolina

Opinion

We have audited the accompanying financial statements of Crisis Assistance Ministry (the "Organization" - a nonprofit organization), which comprises the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crisis Assistance Ministry as of June 30, 2025, 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 of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 Crisis Assistance Ministry and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Crisis Assistance Ministry'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 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 and Government 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 purposes of expressing an opinion on the effectiveness of Crisis Assistance Ministry'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 Crisis Assistance Ministry'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.

Supplementary Information


Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2025, on our consideration of Crisis Assistance Ministry's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the Organization's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 23, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.


October 23, 2025

CRISIS ASSISTANCE MINISTRY**STATEMENT OF FINANCIAL POSITION****JUNE 30, 2025, WITH PRIOR YEAR COMPARATIVE TOTALS**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash	\$ 5,099,486	\$ 4,387,951
Receivables:		
Grants	930,739	986,950
Sales tax refund	18,353	20,130
Inventory	99,746	113,235
Prepaid expenses	19,235	48,551
Contract asset	398,806	39,595
Equipment, furniture and vehicles, net	42,297	64,781
Finance lease right-of-use assets, net	111,081	159,019
Cash, held for long-term use	310,000	310,000
Investments:		
Beneficial interest in assets held in trust by third party	1,148,780	2,001,506
Other	525,252	-
TOTAL ASSETS	<u><u>\$ 8,703,775</u></u>	<u><u>\$ 8,131,718</u></u>
 LIABILITIES & NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 449,070	\$ 373,970
Right-of-use finance lease obligations	100,251	149,192
Total Liabilities	<u>549,321</u>	<u>523,162</u>
 Net Assets:		
Without Donor Restrictions:		
Undesignated	6,317,247	4,959,585
Designated	310,000	310,000
Total Net Assets Without Donor Restrictions	<u>6,627,247</u>	<u>5,269,585</u>
With Donor Restrictions	<u>1,527,207</u>	<u>2,338,971</u>
Total Net Assets	<u>8,154,454</u>	<u>7,608,556</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 8,703,775</u></u>	<u><u>\$ 8,131,718</u></u>

CRISIS ASSISTANCE MINISTRY**STATEMENT OF ACTIVITIES****YEAR ENDED JUNE 30, 2025, WITH PRIOR YEAR COMPARATIVE TOTALS**

	Without Donor Restrictions	With Donor Restrictions	2025 Totals	2024 Totals
SUPPORT & REVENUE				
Governmental Grants:				
Mecklenburg County	\$ 531,981	\$ 2,554,611	\$ 3,086,592	\$ 3,000,450
City of Charlotte	25,000	1,312,683	1,337,683	1,313,415
Federal Emergency Management	-	153,711	153,711	-
United Way	63,082	-	63,082	48,974
Contributions:				
Cash	6,583,826	613,674	7,197,500	6,341,275
In-kind	6,763,205	-	6,763,205	6,500,514
Investment Earnings	81,817	234,524	316,341	318,857
Other	53,576	-	53,576	117,076
Net Assets Released From Restrictions:				
Restrictions Satisfied By Payments	5,680,967	(5,680,967)	-	-
TOTAL SUPPORT & REVENUE	<u>19,783,454</u>	<u>(811,764)</u>	<u>18,971,690</u>	<u>17,640,561</u>
EXPENSES				
Program Services	16,794,823	-	16,794,823	17,330,699
Management and General	444,425	-	444,425	435,751
Fund Raising	1,186,544	-	1,186,544	1,047,558
TOTAL EXPENSES	<u>18,425,792</u>	<u>-</u>	<u>18,425,792</u>	<u>18,814,008</u>
CHANGE IN NET ASSETS	1,357,662	(811,764)	545,898	(1,173,447)
NET ASSETS, BEGINNING	<u>5,269,585</u>	<u>2,338,971</u>	<u>7,608,556</u>	<u>8,782,003</u>
NET ASSETS, ENDING	<u>\$ 6,627,247</u>	<u>\$ 1,527,207</u>	<u>\$ 8,154,454</u>	<u>\$ 7,608,556</u>

CRISIS ASSISTANCE MINISTRY**STATEMENT OF FUNCTIONAL EXPENSES****YEAR ENDED JUNE 30, 2025, WITH PRIOR YEAR COMPARATIVE TOTALS**

	Program Services								
	General Ministry	Duke Utility	Rental Assistance	Energy Assistance	Mass		Economic Mobility	Work First Program	Emergency Food and Shelter
		Assistance/ Rate Settlement			Displacement Event Management	General Assistance			
Direct Client Aid:									
Rent and mortgage	\$ 636,901	\$ -	\$ 399,350	\$ -	\$ 419,644	\$ 304,482	\$ 399,613	\$ 82,685	\$ 153,711
Utilities	353,616	319,344	-	234,898	103,458	85,487	65,387	6,527	-
Domestic Violence	-	-	-	-	-	100,000	-	-	-
Reasonable Efforts	-	-	-	-	-	110,000	-	-	-
Other	112,937	-	-	-	4,747	-	-	500	-
Clothing and furniture	-	-	-	-	-	-	-	-	-
Salaries and benefits	-	-	-	-	-	-	-	-	-
Equipment and data management	-	-	-	-	-	-	-	-	-
Communications	-	-	-	-	-	-	-	-	-
Occupancy	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-
Fees and services	-	-	-	-	37,635	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Travel and conferences	-	-	-	-	-	-	-	-	-
Staff/volunteer appreciation	-	-	-	-	-	-	-	-	-
Dues and training	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	<u>\$ 1,103,454</u>	<u>\$ 319,344</u>	<u>\$ 399,350</u>	<u>\$ 234,898</u>	<u>\$ 565,484</u>	<u>\$ 599,969</u>	<u>\$ 465,000</u>	<u>\$ 89,712</u>	<u>\$ 153,711</u>

Program Services										
Emergency Assistance	Project Management	Direct Program Admin.	Free Store	Furniture and Appliance Store	Advocacy	Total Program Services	Management and General	Fundraising	2025 Totals	2024 Totals
\$ 1,253,508	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,649,894	\$ -	\$ -	\$ 3,649,894	\$ 3,951,177
146,421	-	-	-	-	-	1,315,138	-	-	1,315,138	2,048,536
-	-	-	-	-	-	100,000	-	-	100,000	100,000
-	-	-	-	-	-	110,000	-	-	110,000	110,000
-	-	-	-	-	-	118,184	-	-	118,184	41,057
-	-	-	6,629,484	71,762	-	6,701,246	-	-	6,701,246	6,362,629
-	72,798	3,215,610	616,553	61,982	170,144	4,137,087	284,558	902,121	5,323,766	5,045,875
-	2,539	182,118	43,435	19,139	7,608	254,839	40,902	75,867	371,608	393,615
-	222	37,344	2,848	1,404	667	42,485	3,788	59,090	105,363	95,716
-	77	65,946	78,976	203	191	145,393	9,098	8,145	162,636	161,743
-	192	10,118	8,651	536	5,613	25,110	8,302	13,560	46,972	42,197
-	17,325	24,173	30,524	1,949	1,263	112,869	30,301	100,907	244,077	265,479
-	390	21,062	5,461	1,170	1,170	29,253	5,460	4,291	39,004	34,830
-	6,847	13,015	78	25	18	19,983	8,635	924	29,542	21,541
-	10	3,756	166	71	5,092	9,095	12,905	3,150	25,150	25,931
-	154	14,308	2,908	923	1,242	19,535	3,109	7,280	29,924	40,162
-	7	4,563	71	50	21	4,712	37,367	11,209	53,288	73,520
<u>\$ 1,399,929</u>	<u>\$ 100,561</u>	<u>\$ 3,592,013</u>	<u>\$ 7,419,155</u>	<u>\$ 159,214</u>	<u>\$ 193,029</u>	<u>\$ 16,794,823</u>	<u>\$ 444,425</u>	<u>\$ 1,186,544</u>	<u>\$ 18,425,792</u>	<u>\$ 18,814,008</u>

CRISIS ASSISTANCE MINISTRY**STATEMENT OF CASH FLOWS****YEAR ENDED JUNE 30, 2025, WITH PRIOR YEAR COMPARATIVE TOTALS**

	<u>2025</u>	<u>2024</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 545,898	\$ (1,173,447)
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation and amortization	72,990	57,568
Unrealized gain on investments	(246,110)	(222,332)
Loss on disposal of equipment	432	17,436
(Increase) decrease in operating assets:		
Receivables	57,988	(95,931)
Inventory	13,489	(9,434)
Prepaid expenses	29,316	(9,536)
Contract asset	(359,211)	447,276
Increase in operating liabilities:		
Accounts payable and accrued expenses	75,100	(10,925)
Cash Flows From Operating Activities	<u>189,892</u>	<u>(999,325)</u>
INVESTING ACTIVITIES		
Purchases of investments	(523,032)	-
Sales of investments	1,096,616	-
Acquisition of equipment and furniture	(3,000)	(7,194)
Cash Flows From Investing Activities	<u>570,584</u>	<u>(7,194)</u>
FINANCING ACTIVITIES		
Principal payments on finance lease obligation	(48,941)	(29,187)
Cash Flows From Financing Activities	<u>(48,941)</u>	<u>(29,187)</u>
CHANGE IN CASH	711,535	(1,035,706)
CASH, BEGINNING	<u>4,697,951</u>	<u>5,733,657</u>
CASH, ENDING	<u>\$ 5,409,486</u>	<u>\$ 4,697,951</u>
CASH AND EQUIVALENTS PER STATEMENT OF FINANCIAL POSITION		
Held for operations	\$ 5,099,486	\$ 4,387,951
Held for long-term use	310,000	310,000
	<u>\$ 5,409,486</u>	<u>\$ 4,697,951</u>
SUPPLEMENTAL INFORMATION		
Interest paid	<u>\$ 5,850</u>	<u>\$ 6,656</u>
Equipment purchased under finance leases	<u>\$ -</u>	<u>\$ 111,123</u>

CRISIS ASSISTANCE MINISTRY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE A - ORGANIZATION AND PURPOSE

Nature of Activities

Crisis Assistance Ministry (the Organization) is a nonprofit corporation that provides help, hope, and understanding to people in Mecklenburg County struggling with limited financial resources. The Organization prevents eviction and utility disconnection with emergency rent and utility assistance; helps meet basic needs with clothing, household goods, and essential furniture and appliances; leads people to economic mobility through financial coaching and counseling; and educates the community about the complexities and challenges of poverty. The Organization's primary sources of support are governmental grants along with public grants and contributions.

The Organization's major programs consist of the following:

General Ministry - CAM Funds: Donated funds from individuals, faith partners, foundations, corporations, and grants which are used for assistance with rent, mortgage, utilities, food and other needs as identified.

Duke Utility Assistance/Rate Settlement: Funding provided by Duke Energy programs for the purpose of assisting low-income customers with heating or cooling utilities based on the season of the year along with orders granted by the North Carolina Utilities Commission to provide assistance to Duke Energy Carolinas' electric customers.

City Rental Assistance: Funding grant from the City of Charlotte that provides rental and mortgage assistance to families and individuals threatened with eviction who have a Charlotte address.

City Utility Assistance: Funding grant from the City of Charlotte that provides emergency assistance to families and individuals who are threatened with the loss of energy or water and who have a Charlotte address.

General Assistance: Mecklenburg County funding that assists households that include an elderly or disabled household member with rent, mortgage utilities or other needs as a request by the Department of Social Services.

Emergency Food and Shelter - FEMA: Federal funding that provides assistance with past due rent or mortgage that is no greater than three months' rent/mortgage.

Emergency Assistance: Mecklenburg County funding that assists families with minor children who are 17 years of age and under with rent, mortgage or utilities.

Project Management: Salaries and operating costs for the project management team that enables the Organization to initiate, prioritize and manage projects needed to meet strategic programmatic goals.

Direct Program Administration: Salaries and operating costs for the Financial Stability department that administers all direct rent and utility customer aid programs.

CRISIS ASSISTANCE MINISTRY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Free Store: Salaries and operating costs of a Free Store that provides donated clothing and household items to low-income clients.

Appliance Service: Salaries and operating costs of an Appliance Service that provides donated and appliances to low income clients based on referrals from Partner Agencies.

Advocacy: Salaries and operating costs of advocacy programs that promote awareness and advocacy regarding poverty.

Income Tax Status

The Organization is a North Carolina not-for-profit corporation and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as a public charity under Section 509(a)(1) of the Internal Revenue Code.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Organization is required under U.S. generally accepted accounting principles (GAAP) to report information regarding its financial position and activities according to the following classes of net assets:

Net assets without donor restrictions – These amounts are not subject to any donor-imposed stipulations and include resources invested in property and equipment. Also included in net assets without donor restrictions are funds designated for activities other than normal operations by the Organization’s Board of Directors. Designated funds at year-end consist of amounts held for future long-term needs.

Net assets with donor restrictions – These amounts are subject to donor-imposed stipulations. These restrictions may be temporary in nature, with the restriction being met either by actions of the Organization or the passage of time, or permanent, such that the net assets will be held in perpetuity by the Organization.

Grants and Contributions

The Organization reports contributions and grants of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donated Facilities, Services, and Goods

The Organization operates from a facility owned by Mecklenburg County (the County). No lease arrangement exists between the Organization and the County. The fair value of the rent has been calculated at \$155,000 for the year and has been reflected in the financial statements as a contribution with a like amount included in occupancy expense. The Organization only uses the donated facilities for its own program or supporting service activities.

CRISIS ASSISTANCE MINISTRY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Many individuals volunteer their time and perform a variety of tasks that enable the Organization to carry out its mission. During the year, the Organization received 33,368 volunteer hours relating to these donated services; however, no amounts have been reflected in the accompanying statement of activities since the Organization's contributed services generally do not meet the criteria for recognition.

The Organization receives donations of clothing, household items, and gift cards for distribution to the general public in need. Donations of these items are reflected in the accompanying statement of activities as contributions at their estimated fair value at the date of donation. During the year, the Organization distributed 1,737,336 articles of clothing and household items and 141 appliances with a combined estimated fair value of \$6,701,246.

Inventory

The Organization's inventory consists of donated clothing and appliances on hand at year-end, stated at estimated fair value.

Equipment and Furniture

It is the policy of the Organization to record donated equipment and furniture at estimated fair value and purchased equipment and furniture at cost, both subject to a \$1,000 capitalization policy. Depreciation is calculated using the straight-line method. Equipment and software are depreciated over a five-year life and furniture is depreciated over a ten-year life.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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 support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The Organization's activities are focused in three functional areas. Program services represent the primary focus of the Organization's activities. Supporting services are fundraising activities and management and general activities. Direct client aid expenses are directly allocated to program services.

Salaries and benefits expenses are allocated based on management's estimates of time and effort. Occupancy expenses are allocated based on space usage. All other expenses are allocated on an analysis of the various expenses that comprise those costs.

Leases

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in the operating right of use (ROU) assets and operating lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its leases with a term of 12 months or less; rather they are reported as a lease expense on a straight-line basis over the lease term.

CRISIS ASSISTANCE MINISTRY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

Prior-Year Comparative Totals

The financial statements include certain prior-year summarized information, which is presented for comparative purposes only. Accordingly, such information should be read in conjunction with the Organization's 2024 financial statements, from which the summarized information was derived.

NOTE C - GRANTS RECEIVABLE

Unconditional grants and contributions receivable are recognized as support in the year promised. Conditional promises receivable are recognized when the conditions on which they depend are substantially met. Based on historic collections, management has determined that no allowance for doubtful accounts is needed. A present value discount of \$207 has been applied to long-term pledges using a 10-year US Treasury rate of 2.35 percent.

Grants receivable as of year-end consist of the following:

Year ended June 30:	
2026	\$ 920,946
2027	<u>10,000</u>
	930,946
Less present value discount	<u>207</u>
	<u>\$ 930,739</u>

NOTE D - INVESTMENTS

Investments are reported at fair value in accordance with GAAP. Also, in accordance with GAAP, the Organization has included in these financial statements the fair value of investments and related income earned on a fund held in trust solely for the benefit of the Organization.

Beneficial Interest in Assets Held in Trust by Third Party

The Foundation for the Carolinas (the Foundation) holds in trust an account for the benefit of the Organization. The Organization may request annual distributions of accumulated income from this account. Recommendations for distribution of principal, as considered necessary by the Board of Directors of the Organization, may be made to the Foundation. The Foundation has complete discretion as to the timing and amounts of distributions from this fund; however, the Foundation has no variance power to distribute any portion of this fund to another not-for-profit entity. The account at year-end is comprised of the following:

<i>Quasi-Endowed Designated pool -</i>	
<i>Active Long-Term investment strategy</i>	<u>\$ 1,148,780</u>

Other Investments

The Organization holds investments in equities valued at \$525,252 in a brokerage account.

CRISIS ASSISTANCE MINISTRY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE E - FAIR VALUE MEASUREMENTS

Current accounting standards require fair value of financial instruments to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. It establishes a three-level valuation hierarchy based upon observable and unobservable inputs, as follows:

Level 1 - Fair value is based on quoted prices in active markets for identical assets or liabilities.

Level 2 - Fair value is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Fair value is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Organization's beneficial interest in assets held in trust by the Foundation are classified as Level 3 assets. Values of these investments are determined by the Foundation based on the fair value of the underlying assets, which consists of assets some of which are publicly traded and some of which are not publicly traded. The Organization's other investments are classified as Level 1 assets.

The following table sets forth a summary of changes in the fair value of the Organization's level 3 assets for the year:

Balance, beginning of year	\$ 2,001,506
Sales	(1,087,616)
Increase in value	<u>234,890</u>
Balance, end of year	<u>\$ 1,148,780</u>

NOTE F - CONTRACT ASSET

During the year, at the request of the City of Charlotte (the City), the Organization incurred expenses on the City's behalf to assist citizens who were being displaced. At year-end, \$398,806 had been incurred by the Organization but had not been reimbursed due to there being no fully executed amendment in place between the Organization and the City.

CRISIS ASSISTANCE MINISTRY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE G – EQUIPMENT, FURNITURE AND VEHICLES

Equipment, furniture and vehicles at year-end consist of the following:

Computer equipment	\$	205,520
Furniture and equipment		150,388
Vehicles		64,896
Leasehold improvements		46,216
		<hr/>
		467,020
Less - accumulated depreciation		424,723
		<hr/>
	\$	42,297
		<hr/>

Depreciation expense for the year totaled \$25,052.

NOTE H - LEASES

The Organization leases computer equipment under long-term non-cancelable finance lease arrangements. The leases expire on dates ranging from April 2026 to January 2029. The discount rates on the leases are stated in the lease agreements. The weighted-average discount rate was 3.88 percent and the weighted average remaining lease term was 2.8 years at year-end.

Future minimum lease payments required under the finance leases are as follows:

Year ending June 30:		
2026	\$	48,159
2027		31,457
2028		19,746
2029		5,287
		<hr/>
Total lease payments		104,649
Less amount representing interest		4,398
		<hr/>
Present value of net minimum lease payments	\$	100,251
		<hr/>

Lease payments during the year totaled \$51,322.

CRISIS ASSISTANCE MINISTRY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE I - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at year-end consist of the following:

Net assets restricted for time or purpose	\$ 1,520,957
Net assets restricted in perpetuity	<u>6,250</u>
	<u>\$ 1,527,207</u>

Net assets restricted for time or purpose represent amounts with donor stipulations that limit the use of the funds, and at year-end are as follows:

Beneficial interest in investments held in trust by third party:	
Fund for the Future	\$ 1,142,530
Share the Light (Duke Energy)	146,023
Duke Energy Rate Settlement	144,687
Rent and utility assistance	43,482
Food	5,982
Administrative - Other	<u>38,253</u>
	<u>\$ 1,520,957</u>

Net assets restricted in perpetuity at year-end of \$6,250 represent a beneficial interest in assets held in trust in perpetuity by the Foundation. These Endowment investments are managed by the Foundation, who has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual distributions while growing the funds. Actual returns in any given year will vary.

NOTE J - RETIREMENT PLAN

Crisis Assistance Ministry maintains a defined contribution retirement plan qualified under Internal Revenue Code Section 401(k). An employee is immediately eligible to make contributions to the plan; however, employees must have one year of service to receive a contribution from the Organization. The Organization contributed \$193,892 for the year to employee accounts. The Organization's contributions to the plan are determined annually by the Board of Directors. All accounts are immediately 100 percent vested.

CRISIS ASSISTANCE MINISTRY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE K - CONCENTRATION OF CREDIT RISK

Cash and Certificates of Deposit

Cash in bank accounts and certificates of deposit are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The total cash and certificates of deposit held by the Organization at year-end covered by the FDIC, include \$749,052 in excess of insured limits.

Grants Receivable

Grants receivable at year-end include \$894,221 of grant reimbursements from two governmental agencies.

Investments

As disclosed in Note D above, the Organization maintains investments which are subject to fluctuations in market values and expose the Organization to a certain degree of investment risk.

Support

The Organization receives a substantial amount of its total support and revenue from a limited number of funding sources. These amounts, as reflected in the accompanying schedule of activities, represent a substantial concentration of risk. The Organization also operates within a limited geographical area.

NOTE L - CONTINGENCIES

Financial awards from federal, state, and local governmental entities in the form of grants are subject to special audits by the funding agencies. Such audits could result in claims against Crisis Assistance Ministry for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

NOTE M - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has \$6,564,037 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure consisting of cash of \$5,099,486, investments of \$525,252, and receivables of \$939,299 which are expected to be collected during the year. Of this total, \$378,427 of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE N - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events from the date of the statement of financial position through the date of the independent auditors' report, which is the date the financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Crisis Assistance Ministry
Charlotte, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Crisis Assistance Ministry (the "Organization" - a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 20, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors of
Crisis Assistance Ministry
Charlotte, North Carolina

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Foard & Company, P.A.

October 20, 2025

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Crisis Assistance Ministry
Charlotte, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Crisis Assistance Ministry's (the "Organization" - a nonprofit organization) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2025. The Organization's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

To the Board of Directors of
Crisis Assistance Ministry
Charlotte, North Carolina

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

To the Board of Directors of
Crisis Assistance Ministry
Charlotte, North Carolina

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Foard & Company, P.A.

October 20, 2025

CRISIS ASSISTANCE MINISTRY

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

I. SUMMARY OF AUDITORS' RESULTS

1. An unmodified opinion was issued on the financial statements of Crisis Assistance Ministry (the "Organization").
2. No significant deficiencies related to the audit of the financial statements are reported in the "Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements In Accordance with *Government Auditing Standards*."
3. No instances of noncompliance material to the financial statements of the Organization were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal program are reported in the "Independent Auditors' Report on Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance."
5. An unmodified opinion was issued on the Organization's compliance with the types of compliance requirements applicable to its major federal program.
6. Our audit disclosed no audit findings related to the major federal program for the Organization.
7. The program tested as a major program for the year ended June 30, 2025, was Assistance Listing Number 21.023, Emergency Rental Assistance Program.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. The Organization did not qualify as a low-risk auditee under Section 200 of the Uniform Guidance.

II. FINDINGS RELATED TO THE AUDIT OF THE FINANCIAL STATEMENTS

There were no findings for the year ended June 30, 2025.

III. FINDINGS RELATED TO THE AUDIT OF FEDERAL AWARDS

There were no findings for the year ended June 30, 2025.

IV. SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

There were no findings for the year ended June 30, 2024.

CRISIS ASSISTANCE MINISTRY
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Federal Expenditures
U.S. Department of the Treasury:		
Passed through City of Charlotte, North Carolina:		
Emergency Rental Assistance Program	21.023	\$ 964,291
Coronavirus State and Local Fiscal Recovery Funds	21.027	125,000
U.S. Department of Health and Human Services:		
Passed through the North Carolina Department of Health and Human Services:		
Temporary Assistance for Needy Families	93.558	100,000
Passed through Mecklenburg County, North Carolina:		
WorkFirst	93.714	89,713
U.S. Department of Homeland Security, Federal Emergency Management Agency:		
Emergency Food and Shelter Program	97.024	<u>153,711</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 1,432,715</u></u>

CRISIS ASSISTANCE MINISTRY**Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025**

Note 1 - Basis of Presentation and Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Crisis Assistance Ministry (the Organization) for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No amounts were passed through to subrecipients.

The Agency did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.