

CENTERLINK, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

CENTERLINK, INC.
TABLE OF CONTENTS

	PAGE
Independent Auditors' Report	1-2
Financial Statements	
Statements of Financial Position at December 31, 2023 and 2022	3
Statements of Activities and Changes in Net Assets for the Years Ended December 31, 2023 and 2022	4
Schedule of Functional Expense – 2023	5
Schedule of Functional Expense – 2022	6
Statements of Cash Flows for the Years Ended December 31, 2023 and 2022	7
Notes to Financial Statements	8-19



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
CenterLink, Inc.
P.O. Box 24490
Fort Lauderdale, FL 33309

Opinion

We have audited the accompanying financial statements of CenterLink, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CenterLink, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 CenterLink, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CenterLink, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CenterLink, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Webb CPA, P.A.

WEBB CPA, P.A.
Certified Public Accountants
Boynton Beach, Florida

June 18, 2024

CENTERLINK, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 265,579	\$ 759,224
Investments	3,260,134	3,731,706
Accounts and Grants Receivable, Net	300,508	259,746
Prepaid Expenses	65,485	11,324
Total Current Assets	<u>3,891,706</u>	<u>4,762,000</u>
FURNITURE AND EQUIPMENT		
Furniture and Computer Equipment	58,918	51,640
Website	10,000	10,000
Less: Accumulated Depreciation	(56,860)	(43,073)
Net Furniture and Equipment	<u>12,058</u>	<u>18,567</u>
DEPOSITS	6,441	6,441
TOTAL ASSETS	<u>\$ 3,910,205</u>	<u>\$ 4,787,008</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 124,745	\$ 110,625
Deferred Revenue	33,149	62,953
Total Current Liabilities	<u>157,894</u>	<u>173,578</u>
COMMITMENTS AND CONTINGENCIES (SEE NOTE 5)	-	-
Net Assets		
Undesignated	2,545,826	3,279,930
Board Designated for Grant Writer & Program Assistant positions	-	215,000
Board Designated for DEI/HR Consultant	-	30,000
Board Designated for Security Consultant	-	50,000
Board Designated for Programming	400,000	-
Board Designated for Personnel Cost of Living Increase	85,000	-
Board Designated for PR Firm	50,000	60,000
Board Designated for Strategic Planning Consultant	45,000	40,000
Board Designated for CenterLink 30 th Anniversary	45,000	-
Board Designated for Salary Equity Review Consultant	20,000	-
Board Designated for Board Travel	5,000	5,000
Without Donor Restrictions	<u>3,195,826</u>	<u>3,679,930</u>
With Donor Restrictions	556,485	933,500
Total Net Assets	<u>3,752,311</u>	<u>4,613,430</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,910,205</u>	<u>\$ 4,787,008</u>

See accompanying notes to financial statements.

CENTERLINK, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue						
Federal Grants	\$ 237,499	\$ -	\$ 237,499	\$ 277,171	\$ -	\$ 277,171
Other Grants	1,206,015	501,485	1,707,500	1,161,299	678,200	1,839,499
Contributions	1,126,270	-	1,126,270	2,589,597	250,000	2,839,597
Membership Dues	173,561	-	173,561	154,926	-	154,926
Conference Income	76,276	-	76,276	39,014	-	39,014
Program Service Fees	48,769	-	48,769	22,168	-	22,168
Rental Income	-	-	-	8,262	-	8,262
Miscellaneous Income	4,130	-	4,130	11,944	-	11,944
Interest Income	118,970	-	118,970	23,445	-	23,445
(Un)Realized Gains (Losses), net	24,159	-	24,159	(92,143)	-	(92,143)
Net Assets Released from Restrictions	878,500	(878,500)	-	818,963	(818,963)	-
Total Revenue	3,894,149	(377,015)	3,517,134	5,014,646	109,237	5,123,883
Expenses						
Program Services	4,081,504	-	4,081,504	3,012,668	-	3,012,668
General and Administrative	81,433	-	81,433	56,986	-	56,986
Fundraising Services	215,316	-	215,316	193,860	-	193,860
Total Expenses	4,378,253	-	4,378,253	3,263,514	-	3,263,514
Change in Net Assets	(484,104)	(377,015)	(861,119)	1,751,132	109,237	1,860,369
Net Assets, Beginning of Year	3,679,930	933,500	4,613,430	1,928,798	824,263	2,753,061
Net Assets, End of Year	\$ 3,195,826	\$ 556,485	\$ 3,752,311	\$ 3,679,930	\$ 933,500	\$ 4,613,430

See accompanying notes to financial statements.
4

CENTERLINK, INC.
SCHEDULE OF FUNCTIONAL EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 1,165,264	\$ 59,268	\$ 165,432	\$ 1,389,964
Employee Benefits	169,628	6,820	18,517	194,965
Payroll Taxes	93,101	4,691	12,678	110,470
Total Salaries and Related Employee Benefits	<u>1,427,993</u>	<u>70,779</u>	<u>196,627</u>	<u>1,695,399</u>
Occupancy	2,503	249	124	2,876
Consultants	508,568	-	7,866	516,434
Grants	1,530,270	-	-	1,530,270
Conferences and Meetings	167,339	-	-	167,339
Technical Assistance	59,352	2,259	1,301	62,912
Travel and Lodging	151,642	-	-	151,642
Office Supplies and Expense	36,527	-	-	36,527
Advertising	18,821	-	-	18,821
Accounting and Auditing	7,350	900	450	8,700
Telephone and Fax	15,789	1,842	944	18,575
Insurance	9,280	1,091	546	10,917
Printing and Publications	12,310	-	-	12,310
Postage and Shipping	8,192	-	-	8,192
Depreciation	11,719	1,379	689	13,787
Dues and Subscriptions	55,611	1,031	1,541	58,183
Repairs and Maintenance	1,005	-	-	1,005
Bank & Credit Card Fees	16,341	125	1,762	18,228
Miscellaneous	40,892	1,778	3,466	46,136
Total Expenses	<u>\$ 4,081,504</u>	<u>\$ 81,433</u>	<u>\$ 215,316</u>	<u>\$ 4,378,253</u>

See accompanying notes to financial statements.

CENTERLINK, INC.
SCHEDULE OF FUNCTIONAL EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 994,380	\$ 37,522	\$ 141,335	\$ 1,173,237
Employee Benefits	146,099	4,608	15,420	166,127
Payroll Taxes	79,868	3,051	11,051	93,970
Total Salaries and Related Employee Benefits	<u>1,220,347</u>	<u>45,181</u>	<u>167,806</u>	<u>1,433,334</u>
Occupancy	13,883	1,508	754	16,145
Consultants	123,792	-	10,150	133,942
Grants	1,259,227	-	-	1,259,227
Conferences and Meetings	98,711	-	505	99,216
Technical Assistance	41,399	4,867	2,504	48,770
Travel and Lodging	64,781	-	3,242	68,023
Office Supplies and Expense	23,059	-	700	23,759
Advertising	7,132	-	150	7,282
Accounting and Auditing	7,457	850	425	8,732
Legal	5,000	-	-	5,000
Telephone and Fax	12,941	744	918	14,603
Insurance	7,887	889	503	9,279
Printing and Publications	7,000	-	-	7,000
Postage and Shipping	9,778	-	-	9,778
Depreciation	9,657	568	1,136	11,361
Dues and Subscriptions	43,055	663	972	44,690
Board Expense	1,009	-	-	1,009
Repairs and Maintenance	3,437	180	90	3,707
Bank & Credit Card Fees	12,720	370	950	14,040
Miscellaneous	40,396	1,166	3,055	44,617
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 3,012,668</u>	<u>\$ 56,986</u>	<u>\$ 193,860</u>	<u>\$ 3,263,514</u>

See accompanying notes to financial statements.

CENTERLINK, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ (861,119)	\$ 1,860,369
Adjustments to Reconcile Change in Net Assets to Cash Provided by (Used In) Operating Activities:		
Depreciation	13,787	11,361
Unrealized Gain (Loss)	84,622	(80,710)
Realized Gain (Loss)	(60,463)	(11,433)
(Increase) Decrease in Operating Assets:		
Accounts and Grants Receivable	(40,762)	(4,995)
Prepaid Expenses	(54,161)	11,033
Increase (Decrease) in Operating Liabilities:		
Accounts Payable and Accrued Expenses	14,120	(39,025)
Deferred Revenue	(29,804)	(15,858)
Net Cash Provided by (Used In) Operating Activities	(933,780)	1,730,742
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale (Purchase) of Investments	447,413	(3,123,008)
Purchase of Equipment and Website	(7,278)	(17,618)
Net Cash Provided by (Used) in Investing Activities	440,135	(3,140,626)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Cash Provided by Financing Activities	-	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(493,645)	(1,409,884)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	759,224	2,169,108
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 265,579	\$ 759,224
SUPPLEMENTAL INFORMATION		
Cash Paid for Interest	\$ -	\$ -
Cash Paid for Income Taxes	\$ -	\$ -

See accompanying notes to financial statements.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 1 **ORGANIZATION AND NATURE OF ACTIVITIES**

CenterLink, Inc. is a Not-for-Profit organization incorporated in Delaware in January of 2001. Its purpose is to provide technical assistance, training, cross-training and regional and national networking opportunities for 353 community centers nationwide. Through our LGBT HealthLink program, we work to enhance LGBT health by eliminating health disparities within our communities. Through our YouthLink and ActionLink programs, we work to expand the youth and advocacy program capacity of community centers by helping to increase training opportunities for staff through direct technical assistance.

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) “Audit and Accounting Guide for Not-for-Profit Organizations” (the “Guide”).

Net Assets

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of CenterLink, Inc. and changes therein are classified as follows:

Without Donor Restrictions

Net assets without donor restrictions represent resources over which the Board of Directors has discretionary control and are used to carry out operations of CenterLink, Inc. in accordance with its bylaws. CenterLink, Inc. has elected to report contributions which are released from restrictions in the year received as without donor imposed restricted contributions.

With Donor Restrictions

Net assets with donor restrictions represent contributions which have been restricted by donors for specific programs or activities. Donor-restricted support is reported as an increase in net assets with donor restrictions. Restrictions which have been met by the passage of time or expenditure of net assets are reported as net assets released from restrictions on the Statement of Activities.

**CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Net assets with donor restrictions consist for the following purposes as of December 31, 2023:

Subject to expenditure for specified purpose	
Anti-Conversion/Trans Youth Public Education	\$ 5,000
YouthLink	25,000
One More Hour Program	100,000
IMI Implementation	110,000
ActionLink	116,485
LGBT Mental Health Initiative	200,000
	<u>\$ 556,485</u>

Releases from net assets with donor restrictions for the year ended December 31, 2023 are as follows:

Releases from restrictions:	
Subject to expenditure for specified purpose	
Logo Trans Youth Town Hall event	\$ 1,500
IMI Implementation	73,500
Anti-Conversion/Trans Youth Public	12,300
ActionLink	141,000
YouthLink	25,000
Marketplace/Medicaid Outreach	125,200
LGBT Mental Health Initiative	150,000
2023 General Programming Support	350,000
	<u>\$ 878,500</u>

Basis of Accounting

The financial statements of CenterLink, Inc. have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses when incurred.

Cash and Cash Equivalents

CenterLink, Inc. considers all highly liquid investments purchased with an original maturity of 90 days or less to be cash equivalents.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D**

Investments

Investments are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

Accounts and Grants Receivable

Accounts receivable are stated at their realizable value. Accounts receivable consist of amounts due from members and grants receivable represent commitments due from supporting organizations. It is the CenterLink, Inc's policy to charge off uncollectible accounts and grants receivable when management determines the receivable will not be collected.

Promises to Give

The Organization records unconditional promises at the date when the promise is received. These promises are reduced by an allowance for uncollectible pledges, if necessary, and are discounted to the present value of their expected future cash flows if due in more than one year. As of December 31, 2023, the Organization had \$100,000 in promises to give included in Accounts and Grants Receivable on the Statements of Financial Position.

Furniture and Equipment

Furniture and equipment are carried at cost and depreciated on a straight line method over the estimated useful lives of the assets, which is three years. Items costing less than \$2,000 are charged to expense.

Deferred Revenue

Deferred revenue consists of membership dues received in advance, applicable to the following year. Membership revenue is recognized as it has been earned.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D**

Recognition of Contributions

All contributions are considered to be available without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Grants and other contributions of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets. When a 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 statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support.

The Organization follows provisions of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 606, “Revenue from Contracts with Customers”, (“Topic ASC 606”) and FASB Topic ASC 958, “Financial Statements of Not-for-Profit Organizations, (“Topic ASC 958”). Topic ASC 606 requires the Organization to distinguish between contributions that increase net assets without donor restrictions or with donor restrictions. It also requires recognition of contributed services meeting certain criteria at fair values. Topic ASC 958 establishes standards for general-purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities and a statement of cash flows.

Federal Grants

The Organization receives various federal grants that are recognized when the expenses are incurred or services are performed in accordance with the terms of each grant. Federal grants received in advance are recorded as net assets with donor restrictions and reclassified to net assets without donor restrictions upon satisfaction of those restrictions.

Other Grants

Other grants consist of revenue from foundations and trusts. Other grants received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions and reclassified to net assets without donor restrictions upon satisfaction of those restrictions.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D**

Contributions

Individual, foundation, and organization contributions are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Time- restricted and purpose-restricted contributions are required to be reported as donor restricted support. When a 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 statement of activities as net assets released from restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

Membership Income

Membership income consist of annual memberships that grant members access to resources, links, videos, and information to help develop a strong LGBTQ+ center and create a healthy LGBTQ+ community. Membership income is recognized over the membership period.

Conference Income

Conference income consists of revenue earned from the executive summit held annually. Conference income is recognized when the conference is held.

Program Service Fees

Program service fees consist of earned revenue from various sources derived from the delivery of services. Program service fees are recognized when the services are provided.

In-Kind Contribution

Contributions of donated non-cash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not contributed, and are recorded at their fair values in the period received.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D**

Use of Estimates in the Preparation of Financial Statements

Management uses estimates and assumptions in the preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the reported revenues and expenses, and disclosures. Significant estimates include the useful lives of property and equipment and allowance for doubtful accounts. Accordingly, actual results could differ from those estimates, which were assumed in preparing the financial statements.

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the organizations ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

Functional Allocation of Expense

The cost of providing the program and other activities have been presented on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that are common to program services, development and management and general administration are allocated based on management's determination. The expenses that are allocated include depreciation, interest, & office & occupancy, which are allocated on a square-footage basis, as well as salaries & benefits, which are allocated on the basis of estimates of time & effort.

Income Taxes

CenterLink, Inc. is a Not-for-Profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

The Organization's federal income tax returns for the years ended December 31, 2020 through December 31, 2023 remain subject to examination by the Internal Revenue Service as of December 31, 2023.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D**

Concentration of Credit Risk

CenterLink, Inc. maintains four bank accounts at one financial institution, which, at times, may have balances that exceed federally insured limits. CenterLink, Inc. maintains one investment account at one financial institution, which, include FDIC insured deposits and US Equities, at times, may have balances that exceed federally insured limits. CenterLink, Inc. believes it is not exposed to any significant credit risk on its cash balances and has not experienced any losses in such accounts. At December 31, 2023 and 2022, the Organization had cash balances in excess of FDIC limits of \$-0- and \$137,765. respectively.

Concentrations of Contributions

During 2023, the Organization recognized revenue from two grantors that made up approximately 14% and 13% of total revenue, respectively. During 2022, the Organization recognized revenue from one grantor that made up approximately 39% of total revenue.

As of December 31, 2023, 33%, 17% and 13% of the accounts and grant receivable balance were owed from three donors, respectively. As of December 31, 2022, 10% and 16% of the accounts and grant receivable balance were owed from two donors, respectively.

Right of Use Asset

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, Leases (Topic 842). This guidance requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. ASU 2016-02 establishes a right-of-use model (ROU) that requires a lessee to recognize an ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. The Organization adopted this standard effective January 1, 2022, as required, retrospectively through a cumulative effect adjustment. The Organization elected the “package of practical expedients,” which permits the Organization not to reassess, under ASU 2016-02, prior conclusions about lease identification, lease classification and initial direct costs. The new standard also provides practical expedients for an entity’s ongoing accounting. The Organization elected to utilize the short-term lease recognition exemption for all leases that qualify. This means, for those short-term leases that qualify, the Organization will not recognize ROU assets or lease liabilities. The Organization also elected to separate lease and non-lease components for facility leases. The adoption of this guidance had no impact on the Organization.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D**

Credit Losses

In June 2016, the FASB issued ASU 2016-13, Financial Instruments—Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments. This standard update requires that certain financial assets be measured at amortized cost net of an allowance for estimated credit losses such that the net receivable represents the present value of expected cash collection. In addition, this standard update requires that certain financial assets be measured at amortized cost reflecting an allowance for estimated credit losses expected to occur over the life of the assets. The estimate of credit losses must be based on all relevant information including historical information, current conditions and reasonable and supportable forecasts that affect the collectability of the amounts. The Organization adopted this standard effective January 1, 2022. The adoption of this guidance had no impact on the Organization.

Advertising

Advertising costs are expensed as incurred. These costs are included in direct operating & occupancy expenses and totaled \$18,821 and \$7,282 for the years ended December 31, 2023 and 2022, respectively.

Recent Accounting Pronouncements

All other recent accounting pronouncements issued by FASB (including the Emerging Issues Task Force) and the AICPA did not, or are not, believed by the Company's management, to have a material impact on the Company's present or future financial statements.

All other newly issued accounting pronouncements but not yet effective have been deemed either immaterial or not applicable.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 3 **LIQUIDITY AND AVAILABILITY**

The Organization’s financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$	265,579
Investments		3,260,134
Accounts and grants receivable, net		300,508
Prepaid expenses		65,485
		3,891,706
Financial assets at year end	\$	3,891,706
Less those unavailable for general expenditure within one year due to:		
Restricted by donor with time or purpose restrictions		(556,485)
Board designations:		
Board Designated for Programming		(400,000)
Board Designated for Personnel Cost of Living Increase		(85,000)
Board Designated for PR Firm		(50,000)
Board Designated for Strategic Planning Consultant		(45,000)
Board Designated for CenterLink 30 th Anniversary		(45,000)
Board Designated for Salary Equity Review Consultant		(20,000)
Board Designated for Board Travel		(5,000)
		(1,095,485)
Financial assets available to meet cash needs for general expenditures within one year	\$	2,685,221

The Organization financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date and amounts set aside for long-term investing in endowments.

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 4 **INVESTMENTS AND FAIR VALUE MEASUREMENT**

FASB ASC 820, Fair Value Measurements and Disclosures, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of other than quoted prices included within Level 1 that are observable for the investments, either directly or indirectly; and Level 3 inputs that are unobservable inputs for the investments and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 4 **INVESTMENTS AND FAIR VALUE MEASUREMENT CONT'D**

The Organization's investments are in the custody of and managed by Our Fund Foundation, Inc. and RBC Wealth Management. Our Fund Foundation, Inc. has several investment pools and invests the funds according to the directions of CenterLink. At December 31, 2023 and 2022, the investments are in two investment pools: diversified pool and balanced pool. The diversified pool invests in publicly traded stocks, bonds, mutual funds, money market funds, and cash; and the balanced pool invests in publicly traded stocks and equity funds, fixed income mutual funds, and government-backed bond funds. RBC Wealth Management invests in publicly traded stocks and equity funds and fixed income CDs. Under FASB ASC 958-320 Investments – Debt and Equity Securities, investments in marketable securities with readily determinable fair values are reported at fair value in the Statement of Financial Position with the amount of unrealized gains or losses on investments not previously recognized are reported in the Statement of Activities.

The following represents the investments carried at fair value as of December 31, 2023 and 2022 within the fair value hierarchy:

Investments	December 31, 2023		
	Level 1	Level 2	Total
US Large Cap Equity	\$ -	\$ -	\$ -
Fixed Income – Certificate of Deposit	-	2,799,840	2,799,840
CenterLink Agency Fund: Balance Pool	-	274,040	274,040
CenterLink Agency Fund: Diversified Pool	-	186,254	186,254
Total	\$ -	\$ 3,260,134	\$ 3,260,134

Investments	December 31, 2022		
	Level 1	Level 2	Total
US Large Cap Equity	\$ 4,596	\$ -	\$ 4,596
Fixed Income – Certificate of Deposit	-	3,297,447	3,297,447
CenterLink Agency Fund: Balance Pool	-	257,733	257,733
CenterLink Agency Fund: Diversified Pool	-	171,930	171,930
Total	\$ 4,596	\$ 3,727,110	\$ 3,731,706

NOTE 5 **COMMITMENTS AND CONTINGENCIES**

On February 2, 2016, the Organization began to offer a retirement plan (401K) to its employees. The original plan was available to employees upon the completion of six months of employment and with a minimum age requirement of 21 years of age. Effective March 1, 2022, the eligibility was reduced to completion of three months of employment.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 5 **COMMITMENTS AND CONTINGENCIES CONT'D**

The Organization has agreed to match 100% of the first 8% of compensation that each employee contributes up to \$2,000. During the years ended December 31, 2023 and December 31, 2022, the Organization contributed \$30,044 and \$22,320, respectively.

The Organization provides employees paid vacation benefits. During the first year of employment, employees accrue 8 hours per month worked. After one year of employment, employees accrue 1.25 days per month worked. When an employee has completed four or more years of employment, employees accrue 1.67 days per month worked. The maximum benefits an employee may have at any time shall not exceed 160 hours. If an employees' accrued but unused vacation time reaches the maximum, the staff member will not earn any additional benefits. As of December 31, 2023 and 2022, the Organization had \$66,865 and \$50,861, respectively, in accrued vacation expenses.

On March 15, 2016, the Organization entered into a three year lease agreement for office space in Fort Lauderdale, Florida for a total of \$3,180/month, including sales tax, through June 30, 2019. On June 19, 2019, the Organization extended their lease for an additional two years for a total of \$2,575/month, including sales tax, through June 30, 2021. On October 15, 2020, the Organization extended their lease for an additional year for a total of \$2,413/month, including sales tax, through June 30, 2022.

On June 22, 2022, due to going fully remote, the Organization entered into a 1 year lease agreement for 90 SF of office room in an office space in Fort Lauderdale, Florida for a total of \$207/month, including sales tax, effective July 1, 2022 through June 30, 2023. On May 12, 2023, the lease was renewed for a total of \$207/month, including sales tax, effective July 1, 2023 through June 30, 2024.

Rent expense for the years ended December 31, 2023 and 2022, was \$2,876 and \$15,720, respectively.

NOTE 6 **ASSISTANCE FROM GOVERNMENTAL AGENCIES**

The Organization received pass-through federal awards from two separate entities for Role of Alcohol Disparities in HIV Risk and Healthlink Research Programs. During the year ended December 31, 2023, the Organization received \$237,499 in pass-through federal awards. During the year ended December 31, 2022, the Organization received \$277,171 in pass-through federal awards.

CENTERLINK, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 7 **RELATED PARTY TRANSACTIONS**

During the years ended December 31, 2023 and December 31, 2022, various board members contributed \$16,066 and \$14,677, respectively, as donations.

On May 30, 2017, the Organization entered into a consulting agreement with a former CEO to be renewed and updated each year. For the year ended December 31, 2023, services were provided as needed. For the year ended December 31, 2022, the consulting agreement was for \$2,500 a month for four months. During the years ended December 31, 2023 and December 31, 2022, the former CEO was paid \$10,000 and \$10,000, respectively.

NOTE 8 **SUBSEQUENT EVENTS**

In preparing the financial statements, the Company has evaluated events and transaction for potential recognition or disclosure through June 18, 2024, the date the financial statements were available to be issued.