

OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE

FINANCIAL STATEMENTS

Year Ended December 31, 2024



KERN ▲ THOMPSON
CERTIFIED PUBLIC ACCOUNTANTS

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

FINANCIAL STATEMENTS

Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Oregon Community Warehouse, Inc.
dba Community Warehouse
Portland, Oregon

Opinion

We have audited the accompanying financial statements of Oregon Community Warehouse, Inc. dba Community Warehouse (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year 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 Oregon Community Warehouse, Inc. dba Community Warehouse as of December 31, 2024, and the changes in 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 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 Oregon Community Warehouse, Inc. dba Community Warehouse 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 Oregon Community Warehouse, Inc. dba Community Warehouse'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.

To the Board of Directors
Oregon Community Warehouse, Inc.
dba Community Warehouse

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 Oregon Community Warehouse, Inc. dba Community Warehouse'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 Oregon Community Warehouse, Inc. dba Community Warehouse'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.

Report on Summarized Comparative Information

We have previously audited Oregon Community Warehouse, Inc. dba Community Warehouse's 2023 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated September 16, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Kern & Thompson, LLC

Portland, Oregon
June 11, 2025

OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE

STATEMENT OF FINANCIAL POSITION

December 31, 2024

(With Comparative Totals as of December 31, 2023)

ASSETS

	2024	2023
Cash and cash equivalents	\$ 1,275,517	\$ 780,638
Accounts receivable	258,176	328,208
Grants and contributions receivable	292,006	110,000
Inventory	82,737	80,778
Prepaid expenses	89,144	61,651
Property and equipment, net	2,705,341	2,681,281
Right of use lease asset	419,597	19,518
Total assets	\$ 5,122,518	\$ 4,062,074

LIABILITIES AND NET ASSETS

Accounts payable	\$ 157,796	\$ 37,021
Payroll liabilities	101,423	70,089
Notes payable, net	1,255,914	1,298,807
Right of use lease liability	433,234	19,763
Total liabilities	1,948,367	1,425,680
Net assets		
Net assets without donor restrictions		
Available for operations	1,467,799	909,866
Net investment in property and equipment	1,449,427	1,382,474
Total without donor restrictions	2,917,226	2,292,340
Net assets with donor restrictions	256,925	344,054
Total net assets	3,174,151	2,636,394
Total liabilities and net assets	\$ 5,122,518	\$ 4,062,074

See notes to financial statements.

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

STATEMENT OF ACTIVITIES

Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2024	2023
Revenues and other support				
Grants and contributions	\$ 2,505,041	\$ 392,601	\$ 2,897,642	\$ 934,587
Program fees	936,950	-	936,950	1,412,380
Sales of donated goods	608,645	-	608,645	705,667
Special event revenue, net of expense of \$86,127 and \$91,344 respectively	185,266	-	185,266	137,836
Investment return	17,196	-	17,196	5,914
Rental income	-	-	-	16,031
In-kind contributions	2,145,841	-	2,145,841	1,966,086
Insurance settlement	-	-	-	125,741
Other income	109,011	-	109,011	13,629
	6,507,950	392,601	6,900,551	5,317,871
Net assets released from restriction	479,730	(479,730)	-	-
Total revenues and other support	6,987,680	(87,129)	6,900,551	5,317,871
Expenses				
Program services	5,041,070	-	5,041,070	4,197,320
Supporting services				
Management and general	581,365	-	581,365	553,219
Fundraising	740,359	-	740,359	387,802
Total expenses	6,362,794	-	6,362,794	5,138,341
Change in net assets	624,886	(87,129)	537,757	179,530
Net assets, beginning of year	2,292,340	344,054	2,636,394	2,456,864
Net assets, end of year	\$ 2,917,226	\$ 256,925	\$ 3,174,151	\$ 2,636,394

See notes to financial statements.

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	PROGRAM SERVICES	SUPPORTING SERVICES		Total	
		Management and General	Fundraising	2024	2023
Non-cash assistance - in-kind	\$ 2,145,841	\$ -	\$ -	\$ 2,145,841	\$ 1,966,176
Assistance to individuals	251,053	-	-	251,053	147,585
Salaries	1,137,029	362,700	294,210	1,793,939	1,420,050
Employee benefits/payroll taxes	306,688	56,948	68,338	431,974	317,965
Contracted personnel	658,096	28,413	67,794	754,303	535,921
Advertising	40,906	-	13,787	54,693	21,041
Information technology	93,953	4,051	6,087	104,091	39,687
Occupancy	186,585	-	24	186,609	163,232
Office expense	50,001	5,857	32,574	88,432	110,057
Professional fees	-	42,737	-	42,737	38,290
Depreciation	68,974	-	-	68,974	64,486
Interest expense	-	46,479	-	46,479	53,446
Training, meetings, and activities	17,823	15,553	2,702	36,078	32,690
Travel	28,606	315	28	28,949	43,238
Insurance	41,937	9,303	-	51,240	48,638
Other expenses	13,578	9,009	254,815	277,402	135,839
	\$ 5,041,070	\$ 581,365	\$ 740,359	\$ 6,362,794	\$ 5,138,341

See notes to financial statements.

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

STATEMENT OF CASH FLOWS

Year Ended December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 537,757	\$ 179,530
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	68,974	64,486
Non-cash changes to lease expense	13,392	245
Loss on sale of property and equipment	-	7,070
(Increase) decrease in:		
Accounts receivable	(13,166)	(90,224)
Grants and contributions receivable	(98,808)	(23,200)
Inventory	(1,959)	(19,326)
Prepaid expenses	(27,493)	(25,794)
Increase (decrease) in:		
Accounts payable	120,775	(14,922)
Payroll liabilities	31,334	29,471
Deferred revenue	-	(5,500)
Net cash provided by (used in) operating activities	630,806	101,836
Cash flows from investing activities:		
Purchase of property and equipment	(93,034)	(176,568)
Proceeds from sale of property and equipment	-	7,000
Net cash provided by (used in) investing activities	(93,034)	(169,568)
Cash flows from financing activities:		
Repayment of notes payable	(42,893)	(38,453)
Net cash provided by (used in) financing activities	(42,893)	(38,453)
Net increase (decrease) in cash and cash equivalents	494,879	(106,185)
Cash and cash equivalents, beginning of the year	780,638	886,823
Cash and cash equivalents, end of year	\$ 1,275,517	\$ 780,638
Supplemental cash flow information:		
Cash paid during the year for interest	\$ 46,479	\$ 64,486

See notes to financial statements.

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

NOTE A – DESCRIPTION OF ORGANIZATION

Oregon Community Warehouse, Inc. dba Community Warehouse (the Organization) was incorporated in 2001. Its mission is to provide donated furniture and household items to neighbors seeking the comfort and dignity of a furnished home while overcoming adversity. The Organization serves the Portland metro area through three warehouse locations in Portland, Tigard, and Gresham.

Annually, several hundred social service agencies, government programs, schools, hospitals, and faith organizations refer clients to Community Warehouse. These agencies invest significant resources in supporting and finding housing for their clients, whether veterans, refugees, domestic violence survivors, or families experiencing homelessness. Once housing is secured, if the client needs household furnishings, the agencies enlist the services of Community Warehouse to provide furniture and household items necessary to create a safe and livable home. The Organization provided furniture to 3,242 households comprising 7,659 individuals (including 3,140 children under eighteen) in the year ended December 31, 2024. This is an increase of 10% from the prior year ended December 31, 2023, in which the Organization provided services to 2,935 households comprising 6,685 individuals (including 2,778 children under eighteen).

A diverse board and staff team leads Community Warehouse, sets its vision, and carries out its mission with support and engagement from the community, including volunteerism. Financial support consists primarily of contributions of cash and donated goods. The Organization supplements its contributed revenue with earned income from enterprise programs: the Portland Estate Store and Online Store. These enterprises raise a significant percentage of the Organization's revenues and provide community engagement opportunities.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting, which recognizes revenue when earned and expenses when incurred. Transactions are classified according to the existence or absence of donor-imposed restrictions.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

- **Net Assets Without Donor Restrictions** – Net assets that are not subject to donor-imposed stipulations. The Board of Directors may designate net assets without donor restrictions for specific purposes.

**OREGON COMMUNITY WAREHOUSE, INC.
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

- **Net Assets With Donor Restrictions** – Net assets either subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time, or net assets with donor restrictions that are not subject to appropriation or expenditure.

Expenses are reported as a decrease in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. Contributions received with donor restrictions that are met in the same reporting period are reported as increases in net assets without donor restrictions.

Revenue Recognition

With regard to revenues from all sources, the Organization evaluates whether each transfer of assets is (1) an exchange (reciprocal) transaction in which a resource provider receives commensurate value in return for the assets transferred, or (2) a nonreciprocal transfer (a contribution or a grant), where no value is exchanged.

- *Exchange Transactions* – If the transfer of assets is determined to be an exchange transaction, typically furniture sales, the Organization recognizes revenue when or as it satisfies the required performance obligations and transfers the promised good or service to a customer, and when the customer obtains control of that good or service.
- *Contributions and Grants* – If the transfer of assets is determined to be a contribution, the Organization evaluates whether the contribution is conditional based upon whether the agreement includes both (1) a barrier that must be overcome to be entitled to the funds and (2) either a right of return of assets transferred or a release of a promisor's obligation to transfer assets. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions with donor restrictions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. Otherwise, when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Conditional Promises to Give

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are included in refundable advances in the statement of financial position. The Organization has \$2,289,820 in cost-reimbursable grants authorized that have not been recognized at December 31, 2024 because performance requirements, and/or qualifying expenditures have not yet been incurred.

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Refundable Advances

Refundable advances represent grant payments received prior to the incurrence of allowable grant expenditures and are refundable to the grantor if not used for grant purposes. There are no refundable advances as of December 31, 2024.

Accounts Receivable

Accounts receivable are comprised of amounts due from partner agencies for program activities and are recorded monthly as the related services are provided and billed. Management periodically assesses the estimated allowance for credit losses based on historical credit loss experience, current conditions, and reasonable and supportable forecasts. Delinquent receivables are written off against the allowance based on partner agency credit evaluations and specific circumstances of the client. Management has determined an allowance for credit losses of \$83,765 is appropriate. Accounts receivable older than 90 days were \$128,650 as of December 31, 2024.

Grants Receivable

Grants receivable consists of grant award proceeds collectible for satisfaction of related program requirements, and are all due within one year. Receivables are considered impaired if unpaid balances are not received in accordance with the terms of the grant. The Organization did not identify any uncollectible grants receivable as of December 31, 2024.

Functional Allocation of Expenses

The costs of providing the programs and supporting services have been summarized in the statement of activities. Directly identifiable expenses are charged to programs and supporting services when incurred. Certain costs, including office expense, occupancy, leases and utilities have been allocated among the programs and supporting services benefited based primarily on estimates of time and effort, or space utilized.

Estimates

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

Cash and Cash Equivalents

For financial reporting purposes, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**OREGON COMMUNITY WAREHOUSE, INC.
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Assets and Services

The Organization receives contributions of furnishings and household items that are distributed to individuals and families overcoming adversity or held for re-sale in its Estate Stores. Donated goods received for distribution to recipients are reflected as in-kind donations and recorded at fair value using guides published by Goodwill and other similar organizations. Estate Store inventory is valued at net realizable value. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a special purpose. The Organization recognizes donated services which create or enhance non-financial assets or that required specialized skills, provided by individuals possessing those skills, which would typically need to be purchased if not provided by donation.

Property and Equipment

Property and equipment are recorded at cost when purchased, or fair market value when donated. Expenditures exceeding \$5,000 for additions, major renewals, and betterments are capitalized, and expenditures for repairs and maintenance are charged to expense as incurred.

Depreciation of property and equipment has been calculated using the straight-line method over the following estimated useful lives:

Vehicles	10 years
Furniture and fixtures	5-15 years
Building and improvements	30-39 years

Leases

The Organization determines if an arrangement is a lease or contains a lease at inception of contract. A contract is determined to be or contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration. The Organization determines these assets are leased because the Organization has the right to obtain substantially all of the economic benefit from and the right to direct the use of the identified asset. Contracts are not considered to constitute or contain a lease if the supplier or lessor retains both the practical ability and right to substitute alternative assets for the identified asset and would derive economic benefit from exercising that substitution right. In such cases, the Organization does not control the use of the identified asset.

In evaluating its contracts, the Organization separately identifies lease and nonlease components, such as fixed common area and other fixed maintenance costs, in calculating the right of use (ROU) assets and lease liabilities for its office buildings, apartments and vehicles.

Leases result in the recognition of ROU assets and lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date.

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Organization uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, the Organization uses a risk free discount rate.

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and grants receivable. The Organization places its cash with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). Amounts in excess of FDIC coverage are not insured. At December 31, 2024, about \$1,016,752 of cash was not FDIC insured. The Organization's accounts receivable are unsecured and generally are due within 30 days. The Organization has not experienced any losses on these accounts.

Income Taxes

The Organization has been approved as a tax exempt organization under the Internal Revenue Code Section 501(c)(3) and applicable state laws. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Organization does not believe it has unrelated trade or business income in excess of \$1,000.

Loan Fees

The Organization has adopted guidance regarding the presentation on the statement of financial position of the cost of issuance of debt and related amortization expense in the statement of functional expense. The guidance requires presenting such unamortized costs as a direct deduction from the face amount of the debt (see Note E). Amortization is required to be included with interest expense.

Prior Year Summarized Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class or natural expense classification by function. 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, 2023, from which the summarized information was derived.

**OREGON COMMUNITY WAREHOUSE, INC.
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE C – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2024:

Land	\$ 1,537,000
Building and building improvements	1,513,316
Vehicles	244,488
Furniture and fixtures	<u>15,993</u>
Total property and equipment	3,310,797
Less accumulated depreciation	<u>(605,456)</u>
Net property and equipment	<u>\$ 2,705,341</u>

NOTE D – NOTES PAYABLE

Notes payable consist of the following:

Note payable, dated April 6, 2020, to Summit Bank; payable in monthly installments including interest at 3.990% through April 2030; balloon payment due April 2030; secured by real property.	\$ 640,493
Note payable, dated April 6, 2020, to Summit Bank; payable in monthly installments including interest at 3.990% through April 2030; balloon payment due April 2030; secured by real property.	<u>632,693</u>
	1,273,186
Unamortized debt issuance costs	<u>(17,272)</u>
Notes payable, net	<u>\$ 1,255,914</u>

Interest on the notes is indexed to the Five-Year LIBOR Swap (index) using a rate of 2.5% over the index. The current interest rate being charged is scheduled to adjust after five years but will not be less than the current rate.

The Organization presents debt issuance costs as a reduction of the carrying amount of the debt. Amortization of the loan fees is reported as interest expense in the statement of functional expenses.

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE D – NOTES PAYABLE (CONTINUED)

The future scheduled maturities of long-term debt are as follows:

Year Ending December 31,		
2025	\$	41,639
2026		43,331
2027		45,092
2028		46,925
2029		48,831
Thereafter		<u>1,047,368</u>
	\$	<u><u>1,273,186</u></u>

NOTE E – LINE OF CREDIT

The Organization has a \$100,000 line of credit with Summit Bank that expires on July 10, 2026. There is a zero balance at December 31, 2024.

NOTE F – OPERATING LEASE COMMITMENTS

The Organization executed a new operating lease agreement for warehouse space in July of 2024. The warehouse is located in the Tigard Industrial Park, and expires in September 2027. The operating lease includes an escalating fee schedule which ranges from a two to three percent increase per year.

Annual right of use lease expense	\$ <u>54,155</u>
Cash paid for lease	\$ <u>40,518</u>
Right-of-use asset obtained in exchange for new operating lease liabilities	\$ <u>468,848</u>
Weighted-average remaining lease term	2.7 years
Weighted-average discount rate	4.3%

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE F – OPERATING LEASE COMMITMENTS (CONTINUED)

Future minimum lease payments and reconciliation to the statement of financial position as of December 31, 2024 are as follows:

Year Ending December 31,	
2025	\$ 163,287
2026	168,183
2027	<u>128,952</u>
Total future undiscounted lease payments	460,422
Less present value discount	<u>(27,188)</u>
Total lease liability	<u>\$ 433,234</u>

NOTE G – RETIREMENT PLAN

The Organization has a SIMPLE IRA plan covering substantially all employees who meet certain eligibility requirements. In addition to employee elective deferrals, the Organization will make matching contributions of deferrals up to three percent of gross compensation. Contributions to the plan for the year ended December 31, 2024, were \$25,264.

NOTE H – RESTRICTIONS ON NET ASSETS

The Organization's net assets with donor restrictions are subject to the following purpose or time restrictions as of December 31, 2024:

Metro - East County Expansion	\$ 197,387
Volunteers	4,710
Westside operations	1,349
Bring It Home	18,344
Other	<u>35,135</u>
Total net assets with donor restrictions	<u>\$ 256,925</u>

**OREGON COMMUNITY WAREHOUSE, INC.
dba COMMUNITY WAREHOUSE**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2024

NOTE I – IN-KIND CONTRIBUTIONS

Contributions of donated, non-cash assets are recorded at their estimated fair value in the period received. For the year ended December 31, 2024, the estimated value of in-kind contributions consisted of furniture and supplies totaling \$2,145,841.

In addition, the Organization regularly receives contributed services from a large number of volunteers who assist in program activities, fundraising, and other activities. The value of such services, which the Organization considers not practical to estimate, has not been recognized on the accompanying financial statements. In 2024, Community Warehouse had 235 volunteers contribute a collective 7,606 hours of volunteering. Additionally, Community Warehouse had 9 volunteer groups and corporate events which contributed 139 hours of volunteering.

NOTE J – LIQUIDITY

The following chart represents the Organization's financial assets available for general expenditures within one year of December 31, 2024:

Financial assets at year-end:	
Cash and cash equivalents	\$ 1,275,517
Accounts receivables	258,176
Contributions receivable	<u>292,006</u>
Total financial assets	1,825,699
Less amounts unavailable for general expenditure within one year:	
Net assets with donor restrictions	<u>(256,925)</u>
Financial assets available to meet cash needs within one year	<u>\$ 1,568,774</u>

As part of its liquidity management, the Organization's policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

NOTE K – SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 11, 2025, which is the date the financial statements were available to be issued.

The Organization sold the Tualatin property subsequent to year end on February 13, 2025 for \$1,700,000.