



CONCORD CENTER ASSOCIATION, INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023



CONCORD CENTER ASSOCIATION, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Concord Center Association, Inc.
Indianapolis, Indiana

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Concord Center Association, Inc., which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Concord Center Association, Inc. as of December 31, 2024 and 2023, 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Concord Center Association, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Concord Center Association, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS 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 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 GAAS, 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 Concord Center Association, 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 Concord Center Association, 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.

Pettit & Company, LLC

Indianapolis, Indiana

August 8, 2025

CONCORD CENTER ASSOCIATION, INC.

**STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,382,516	\$ 2,499,373
Certificate of deposit	262,153	250,000
Grants and contracts receivable	47,766	33,382
Prepaid expense	<u>22,776</u>	<u>11,335</u>
Total current assets	<u>2,715,211</u>	<u>2,794,090</u>
 Property and equipment		
Land	47,790	47,790
Buildings	2,020,963	1,960,139
Vehicles	75,346	75,346
Equipment	91,660	87,173
Furniture and fixtures	<u>115,940</u>	<u>113,000</u>
Total property and equipment	2,351,699	2,283,448
Accumulated depreciation	<u>(1,994,795)</u>	<u>(1,924,846)</u>
Net property and equipment	<u>356,904</u>	<u>358,602</u>
 Other assets		
Investments, at fair value	6,317,888	5,787,133
Operating lease right-of-use asset	<u>7,811</u>	<u>11,468</u>
Total other assets	<u>6,325,699</u>	<u>5,798,601</u>
 Total assets	<u>\$ 9,397,814</u>	<u>\$ 8,951,293</u>

CONCORD CENTER ASSOCIATION, INC.

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS OF DECEMBER 31, 2024 AND 2023**

LIABILITIES AND NET ASSETS

	<u>2024</u>	<u>2023</u>
Current liabilities		
Current portion of right-of-use operating lease liability	\$ 3,816	\$ 3,816
Accounts payable	13,943	1,781
Total current liabilities	<u>17,759</u>	<u>5,597</u>
Long-term liabilities		
Right-of-use operating lease liability, net of current portion	3,995	7,652
Total long-term liabilities	<u>3,995</u>	<u>7,652</u>
Total liabilities	<u>21,754</u>	<u>13,249</u>
Net assets		
Net assets without donor restrictions	2,600,212	2,162,516
Net assets with donor restrictions		
Purpose restrictions	2,268,848	2,268,528
Perpetual in nature	4,507,000	4,507,000
Total net assets	<u>9,376,060</u>	<u>8,938,044</u>
Total liabilities and net assets	<u>\$ 9,397,814</u>	<u>\$ 8,951,293</u>

CONCORD CENTER ASSOCIATION, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue			
Grants and contracts	\$ 930,787	\$ 24,000	\$ 954,787
Contributions	66,404	-	66,404
Fundraising - special events	21,464	-	21,464
United Way community funding	379,261	-	379,261
Rental income	13,817	-	13,817
Investment income, net of fees	102,050	154,520	256,570
Unrealized gain (loss) on investments	-	191,122	191,122
Realized gain (loss) on investments	-	185,113	185,113
Other income	-	-	-
Net assets released from restrictions			
Satisfaction of program requirements	554,435	(554,435)	-
Total support and revenue	2,068,218	320	2,068,538
Expenses			
Program services	1,449,221	-	1,449,221
Supporting services	181,301	-	181,301
Total expenses	1,630,522	-	1,630,522
Change in net assets	437,696	320	438,016
Net assets - beginning of year	2,162,516	6,775,528	8,938,044
Net assets - end of year	\$ 2,600,212	\$ 6,775,848	\$ 9,376,060

CONCORD CENTER ASSOCIATION, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue			
Grants and contracts	\$ 785,338	\$ 336,500	\$ 1,121,838
Contributions	196,368	-	196,368
Fundraising - special events	8,439	-	8,439
United Way community funding	333,686	-	333,686
Rental income	10,454	-	10,454
Investment income, net of fees	61,083	110,381	171,464
Unrealized gain (loss) on investments	-	524,248	524,248
Realized gain (loss) on investments	-	4,019	4,019
Other income	2,650	-	2,650
Net assets released from restrictions			
Satisfaction of program requirements	821,233	(821,233)	-
Total support and revenue	<u>2,219,251</u>	<u>153,915</u>	<u>2,373,166</u>
Expenses			
Program services	1,422,375	-	1,422,375
Supporting services	218,543	-	218,543
Total expenses	<u>1,640,918</u>	<u>-</u>	<u>1,640,918</u>
Change in net assets	<u>578,333</u>	<u>153,915</u>	<u>732,248</u>
Net assets - beginning of year	<u>1,584,183</u>	<u>6,621,613</u>	<u>8,205,796</u>
Net assets - end of year	<u>\$ 2,162,516</u>	<u>\$ 6,775,528</u>	<u>\$ 8,938,044</u>

CONCORD CENTER ASSOCIATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services					
	<u>Care Coordination</u>	<u>Child Day Care</u>	<u>School Age Child Care</u>	<u>Social Services/ Homeless Prevention</u>	<u>Youth Development</u>	<u>Nutrition</u>
Salaries	\$ 88,843	\$ 240,272	\$ 261,069	\$ 191,896	\$ -	\$ 11,781
Employee benefits	17,025	17,942	18,036	17,371	-	8,145
Payroll taxes	6,317	18,419	20,092	14,706	-	937
Legal and professional	9,167	7,833	7,736	15,678	433	6,599
Supplies	1,344	3,491	22,586	480	26	59,184
Telephone	2,864	1,462	1,538	1,627	-	800
Postage and shipping	446	33	33	33	-	33
Occupancy - utilities	2,063	5,464	6,053	1,498	-	1,163
Occupancy - routine upkeep	3,855	6,879	9,739	2,694	63	2,622
Conference and meetings	68	493	842	18	-	18
Printing and publications	386	1,167	1,944	134	-	137
Travel and transportation	13	173	1,785	-	-	-
Contributions, dues, and awards	11	225	1,516	11	200	211
Equipment rental	3,623	497	11	-	-	-
Activity fees and charges	20	1,365	5,921	20	-	20
Other insurance	-	8,631	4,125	2,986	-	2,625
Other expenses	990	1,803	4,616	323	-	223
Specific assistance	92,067	-	-	79,358	-	-
Fundraising	-	96	-	-	-	-
Depreciation	-	-	-	-	-	-
Total expenses	\$ 229,102	\$ 316,245	\$ 367,642	\$ 328,833	\$ 722	\$ 94,498

CONCORD CENTER ASSOCIATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2024

Program Services					Supporting Services			
Senior Citizens Services	<u>Dynki Deli</u>	Transportation Services	General Social Development	Total Program	Management and General	Fund- Raising	Total Supporting	Total
\$ 41,398	\$ 5,158	\$ 2,925	\$ 3,282	\$ 846,624	\$ 14,351	\$ 25,099	\$ 39,450	\$ 886,074
10,555	-	8	3,252	92,334	6,219	11,647	17,866	110,200
3,101	385	219	260	64,436	3,255	1,865	5,120	69,556
5,559	-	-	5,559	58,564	5,429	5,563	10,992	69,556
2,867	3,779	82	184	94,023	1,129	721	1,850	95,873
800	53	-	800	9,944	1,167	800	1,967	11,911
33	-	-	33	644	33	33	66	710
1,856	-	1,280	1,948	21,325	4,899	1,124	6,023	27,348
3,087	228	-	3,195	32,362	5,654	2,221	7,875	40,237
18	-	-	18	1,475	18	18	36	1,511
821	-	-	86	4,675	141	236	377	5,052
-	20	386	-	2,377	-	-	-	2,377
11	-	-	11	2,196	11	11	22	2,218
262	-	-	-	4,393	-	-	-	4,393
20	-	-	20	7,386	-	20	20	7,406
3,371	455	-	3,469	25,662	5,551	2,582	8,133	33,795
495	542	-	240	9,232	715	547	1,262	10,494
-	-	-	-	171,425	-	-	-	171,425
48	-	-	-	144	-	10,293	10,293	10,437
-	-	-	-	-	69,949	-	69,949	69,949
<u>\$ 74,302</u>	<u>\$ 10,620</u>	<u>\$ 4,900</u>	<u>\$ 22,357</u>	<u>\$ 1,449,221</u>	<u>\$ 118,521</u>	<u>\$ 62,780</u>	<u>\$ 181,301</u>	<u>\$ 1,630,522</u>

CONCORD CENTER ASSOCIATION, INC.

**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Program Services					
	<u>Care Coordination</u>	<u>Child Day Care</u>	<u>School Age Child Care</u>	<u>Social Services/ Homeless Prevention</u>	<u>Youth Development</u>	<u>Nutrition</u>
Salaries	\$ 95,798	\$ 226,047	\$ 230,889	\$ 206,939	\$ -	\$ 13,136
Employee benefits	11,092	3,979	19,455	22,536	57	12,028
Payroll taxes	6,854	14,745	17,615	15,472	-	1,025
Legal and professional	6,665	19,572	7,129	6,559	572	17,074
Supplies	516	3,350	11,667	689	8	60,708
Telephone	2,745	1,487	1,487	1,487	-	819
Postage and shipping	289	89	62	35	-	35
Occupancy - utilities	1,794	5,723	5,114	1,324	34	1,046
Occupancy - routine upkeep	3,279	5,036	6,954	2,038	97	2,013
Conference and meetings	319	1,338	1,348	72	17	72
Printing and publications	697	730	1,409	25	-	25
Travel and transportation	-	-	871	-	-	-
Contributions, dues, and awards	-	194	-	-	181	-
Equipment rental	1,420	391	106	56	35	56
Activity fees and charges	-	267	5,848	-	-	20
Other insurance	2,756	3,216	3,536	2,914	208	2,653
Other expenses	696	3,226	3,997	1,207	9	628
Specific assistance	66,176	-	-	137,400	-	-
Fundraising	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Total expenses	\$ 201,096	\$ 289,390	\$ 317,487	\$ 398,753	\$ 1,218	\$ 111,338

CONCORD CENTER ASSOCIATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2023

Program Services					Supporting Services				
Senior Citizens Services	Dynki Deli	Transportation Services	General Social Development	Total Program	Management and General	Fund- Raising	Total Supporting	Total	
\$ 30,225	\$ -	\$ 3,237	\$ 59	\$ 806,330	\$ 11,000	\$ 19,402	\$ 30,402	\$ 836,732	
12,966	-	34	9,749	91,896	20,884	5,267	26,151	118,047	
2,267	-	232	5	58,215	6,608	1,451	8,059	66,274	
5,468	-	-	5,468	68,507	5,554	6,663	12,217	80,724	
4,481	192	-	1,153	82,764	633	281	914	83,678	
819	-	-	819	9,663	1,118	819	1,937	11,600	
35	-	-	35	580	58	35	93	673	
1,622	-	2,088	1,698	20,443	4,293	1,013	5,306	25,749	
2,445	3,030	-	2,525	27,417	8,685	2,271	10,956	38,373	
72	-	-	72	3,310	153	516	669	3,979	
25	-	-	25	2,936	120	332	452	3,388	
-	-	4,754	-	5,625	-	-	-	5,625	
-	-	-	-	375	50	-	50	425	
109	-	-	56	2,229	21	61	82	2,311	
-	-	-	-	6,135	-	-	-	6,135	
2,732	-	(656)	2,743	20,102	8,590	2,649	11,239	31,341	
929	114	(469)	1,279	11,616	1,344	1,578	2,922	14,538	
-	-	-	-	203,576	-	-	-	203,576	
-	-	-	-	-	-	19,757	19,757	19,757	
-	-	656	-	656	87,337	-	87,337	87,993	
\$ 64,195	\$ 3,336	\$ 9,876	\$ 25,686	\$ 1,422,375	\$ 156,448	\$ 62,095	\$ 218,543	\$ 1,640,918	

CONCORD CENTER ASSOCIATION, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ 438,016	\$ 732,248
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	69,949	87,993
Realized and unrealized (gain) loss on investments	(530,755)	(638,648)
(Increase) decrease in assets		
Grants and contracts receivable	(14,384)	8,045
Prepaid expense	(11,441)	(906)
Operating lease right-of-use asset	3,816	3,816
Increase (decrease) in liabilities		
Accounts payable	12,162	(24,700)
Right-of-use operating lease liability	(3,816)	(3,816)
Net cash provided by (used in) operating activities	<u>(36,453)</u>	<u>164,032</u>
Cash from investing activities		
Purchase of certificates of deposit	(271,749)	(250,000)
Maturities of certificates of deposit	259,597	-
Purchase of property and equipment	(68,252)	(74,169)
Net cash provided by (used in) investing activities	<u>(80,404)</u>	<u>(324,169)</u>
Net increase (decrease) in cash and cash equivalents	(116,857)	(160,137)
Cash and cash equivalents, beginning of fiscal year	<u>2,499,373</u>	<u>2,659,510</u>
Cash and cash equivalents, end of fiscal year	<u>\$ 2,382,516</u>	<u>\$ 2,499,373</u>
Supplemental Schedule of Cash Flow Information		
Interest paid	<u>\$ -</u>	<u>\$ -</u>

CONCORD CENTER ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations

Concord Center Association, Inc. (the "Organization") was incorporated as a not-for-profit organization on November 17, 1954 under the laws of the state of Indiana. The Organization is also known in the community as Concord Neighborhood Center.

The Organization's mission is to provide opportunities that advance the education, health, well-being and independence for near-Southside families.

The Organization's vision is to help people help themselves to a better way of life. The Organization is recognized as the leading provider of needed social services to individuals and families on the south side of Indianapolis, as it and its predecessor entities have since 1875. The Organization serves residents of the area bordered by Washington Street on the north, Thompson Road on the south, I-65 on the east, and White River Parkway on the west. It offers an array of programs and services which include the following:

Care Coordination: Providing health education and case management services.

Child Day Care/Early Childhood Education: Providing licensed child care for 3 to 5 year-olds.

School Age Child Care: Providing before and after school services and summer day camp.

Social Services/Homeless Prevention: Providing family support, self-sufficiency, and emergency assistance services.

Youth Development: Providing age appropriate social, recreational and educational activities for youth ages 5-18 years through outreach and enrichment programs.

Nutrition: Concord offers a nutrition program in support of child, youth and older adult participant well-being. Through a CACFP contract, the agency serves breakfast, lunch, and afternoon snack to early learning students and lunch and afternoon snack to youth. The Dynki Deli serves prepared and nutritious lunches to senior neighbors at a subsidized cost.

Senior Citizens Services: Providing transportation, case management, activities, food pantry and other services to seniors over the age of 55.

Dynki Deli: A café serving meals to seniors, area residents, and staff.

Transportation: Providing transportation for school-aged children, seniors, and youth enrolled in the Organization's other programs.

General Social Development: A program that fosters youth development through activities that promote appropriate peer and adult relationships through activities and events.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nature of operations (Continued)

The Organization controls and is the sole member of Concord Neighborhood Ventures, LLC ("CNV"). CNV was organized on May 14, 2003, as a support to the Organization. CNV's general purposes are to improve the neighborhood through residential and commercial real estate projects, and to provide a source of income for the programs and services of the Organization.

Under current accounting standards, the revenues, expenses, assets, and liabilities of CNV are required to be consolidated with the Organization's financial statements. During 2024 and 2023, CNV had no revenues or expenses, and no assets or liabilities; therefore, consolidated financial statements are not presented for the years ended December 31, 2024 and 2023.

A summary of the Organization's significant accounting policies follows:

Basis of accounting

The accompanying financial statements are presented on the accrual basis of accounting.

Basis of presentation

These financial statements have been prepared to focus on the entity as a whole and to present transactions according to the existence or absence of donor-imposed restrictions in conformity with accounting principles generally accepted in the United States of America. This has been done by classification of fund transactions and balances into two categories of net assets:

Net assets without donor restrictions: These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net assets with donor restrictions: These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Cash and cash equivalents

The Organization's cash and cash equivalents consist of checking, savings, and money market accounts. The Organization maintains checking and savings balances at commercial banks.

Certificate of deposit

Certificate of deposit are valued at original cost plus interest.

Concentration of risks

The Organization maintains its operating cash balances with several financial institutions. The demand deposit accounts are partially insured by the Federal Deposit Insurance Corporation. The balances, at times, may exceed federally insured limits. To date, there have been no losses on such accounts.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentration of risks (Continued)

Approximately 18% and 14% of total revenue was from United Way for general operating support in 2024 and 2023, respectively. In addition to operating support, United Way also provides support for other programs.

The Organization has contracts with various federal, state, and local governmental agencies and departments. Approximately 14% and 12% of total revenue was received from these agencies and departments for 2024 and 2023, respectively.

Grants and contracts receivable

Grants and contracts receivable include reimbursements and unconditional promises to give, and are reported at net realizable value. All amounts are expected to be collected within one year, and none are considered uncollectible as of the years ended December 31, 2024 and 2023.

Investments

The Organization accounts for investments with readily determinable fair values in the statement of financial position at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Interest income is recorded on the accrual basis, and dividends are recorded on the ex-dividend date. Purchases and sales of investments are recorded on the trade date. Gains and losses on the sale of investments are determined using the specific identification method. Unrealized gains and losses are included in the statement of activities.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the financial statements.

Property and equipment

Property and equipment are stated at cost. Donated property and equipment is recorded at fair value. The Organization's capitalization policy is \$1,000. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Estimated useful lives for furniture and equipment range from 3 to 10 years and buildings and improvements range from 30 to 40 years.

Expenditures for property and equipment and for renewals or betterments which extend the originally estimated economic life of the assets are capitalized. Expenditures for maintenance and repairs are charged to expense. When an asset is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the statement of activities.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and revenue

Revenue funded by contracts and fees are recognized as the Organization performs the contracted services. Grants and other support revenues are recognized when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the Organization. Grant expenditures are subject to audit and acceptance by the granting agency, and adjustments could be required as a result of such audit.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restriction.

The Organization reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions specifying how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets, are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Tax status

The Organization is exempt from federal and state income taxes on its related activities under Internal Revenue Service Code Section 501(c)(3). Accordingly, no provision for federal and state income taxes has been made.

The Organization files the required federal and state information returns. Whenever tax returns are filed, the filing organization must evaluate the merits of its tax positions and determine if they will be ultimately sustained. Those tax positions for the Organization include maintaining their tax-exempt status and the taxability of any unrelated business income. The Organization believes these positions are sustainable. Although the Organization has not incurred any interest and penalties associated with these positions, it is their policy to expense them in the statement of activities. With few exceptions, the Organization is generally no longer subject to examination by taxing authorities for years before December 31, 2021.

Functional expenses

Expenses are reported when incurred. In the statements of functional expenses, costs not specifically related to program services are allocated in accordance with management's estimates of program support requirements. Salaries and related expenses are charged to program services based upon estimated time spent by personnel on the related programs. Direct expenses are charged to the various programs. Occupancy expenses are allocated based upon actual utilization of space.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating leases

The Organization recognizes lease liabilities and corresponding right-of-use (ROU) assets for all leases with a term greater than 12 months, in accordance with ASC 842, Leases. The lease liability is measured as the present value of future lease payments over the expected lease term. The discount rate used to calculate the present value is the Organization's incremental borrowing rate, unless the rate implicit in the lease is readily determinable.

The ROU asset is based on the lease liability, adjusted for any lease payments made at or before commencement, initial direct costs, and any lease incentives received. ROU assets are amortized on a straight-line basis over the lease term and are reported as noncurrent assets in the statement of financial position.

Lease payments under operating leases are recorded as lease expense on a straight-line basis over the lease term in the statement of activities. The Organization has elected the short-term lease exemption for leases with a term of 12 months or less, which are not recorded on the statement of financial position. Such leases are expensed as incurred.

Operating leases primarily relate to equipment. The Organization considers all relevant facts and circumstances that create an economic incentive to exercise or not exercise renewal or termination options when determining the lease term.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain prior year balances have been reclassified to conform to current year classifications and presentations.

Management's review of subsequent events

Management has performed an analysis of the activities and transactions subsequent to December 31, 2024, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended December 31, 2024. Management has performed their analysis of subsequent events through August 8, 2025, the date the financial statements were available to be issued.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 2 – RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In June 2016, the Financial Accounting Standards Board (“FASB”) issued ASU 2016-13, Topic 326, Financial Instruments-Credit Losses, which was later amended with ASU 2019-11. The standard significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren’t measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity’s exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in Topic 326 were grants and contracts receivables. The Organization adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has a policy to maintain a minimum of three months of normal operating expenses, excluding depreciation, in cash and/or short term investments. The Organization manages its financial assets to be available as its general expenditures, liabilities and other obligations come due.

In addition, as part of its liquidity management, the Organization invests cash in excess of weekly requirements in various short-term investments. As more fully described in Note 6, the Organization also has a line of credit in the amount of \$125,000, which could be drawn upon in the event of an unanticipated liquidity need.

The Organization's endowment funds consist of donor-restricted contributions to provide long-term organizational and operational sustainability. The original gift amount of the donor-restricted endowment funds and subsequent gifts to the endowment must be preserved and are classified as net assets with donor restrictions. Beginning in 2020, the Organization may make yearly distributions of 2% to 4% of the average market value of the Endowment fund. Up to 6% may be expended for an emergency with Board approval.

CONCORD CENTER ASSOCIATION, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)

The table below represents financial assets available for general expenditures within one year at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 2,644,669	\$ 2,499,373
Certificate of deposit	262,153	250,000
Grants and contracts receivable	47,766	33,382
Investments, at fair value	<u>6,317,888</u>	<u>5,787,133</u>
Total financial assets	<u>9,272,476</u>	<u>8,569,888</u>
Less amounts not available to be used within one year:		
Investments held for endowments	(4,507,000)	(4,507,000)
Donor-imposed restrictions	<u>(2,268,848)</u>	<u>(2,268,528)</u>
Financial assets not available to be used within one year	<u>(6,775,848)</u>	<u>(6,775,528)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 2,496,628</u>	<u>\$ 1,794,360</u>

NOTE 4 – INVESTMENTS

Investments are composed of the following:

	<u>2024</u>	<u>2023</u>
Common stock	\$ 2,193,680	\$ 1,981,391
Corporate bonds & notes	1,941,659	1,338,632
ETF large cap/multi-cap	140,091	-
Foreign equities	133,184	186,563
International equity funds	557,075	238,004
Mid cap equity funds	531,238	540,716
Misc cash equiv - txbl	101,321	644,833
Small cap equity funds	184,377	284,374
Taxable bond funds	64,137	131,566
U.S. government agencies	<u>471,126</u>	<u>441,054</u>
	<u>\$ 6,317,888</u>	<u>\$ 5,787,133</u>

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 5 – FAIR VALUE MEASUREMENTS

The Organization utilizes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1** Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.
- Level 2** Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.
- Level 3** Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are measured and reported on a fair value basis. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3. The Organization does not have significant level 3 assets or liabilities. During the years ended December 31, 2024 and 2023, there were no changes to the Organization's valuation techniques that had, or are expected to have, a material impact on its financial position or results of operations.

The following is a description of the valuation methodologies used for assets measured at fair value:

- Mutual Funds and Pooled Investment Vehicles: Valued at the daily published Net Asset Value (NAV).
- Equity Securities: Valued using quoted market prices on national and international securities exchanges.
- Fixed Income Securities: Valued using third-party pricing services based on observable inputs including benchmark yields, credit spreads, and dealer quotes.
- Exchange-Traded Funds (ETFs): Valued using closing prices on national exchanges.
- Taxable Bond Funds: Valued based on the NAV reported by the fund sponsor, which reflects the fair value of the underlying fixed income securities.
- U.S. Government Agencies: Valued based on market-corroborated data such as yield curves and pricing matrices.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 5 – FAIR VALUE MEASUREMENTS (CONTINUED)

Assets measured at fair value as of December 31, 2024 and 2023 are summarized as follows:

		<u>2024</u>		
	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Common stock	\$ 2,193,680	\$ 2,193,680	\$ -	\$ -
Corporate bonds & notes	1,941,659	-	1,941,659	-
ETF large cap/multi-cap	140,091	140,091	-	-
Foreign equities	133,184	133,184	-	-
International equity funds	557,075	557,075	-	-
Mid cap equity funds	531,238	531,238	-	-
Misc cash equiv – txbl	101,321	101,321	-	-
Small cap equity funds	184,377	184,377	-	-
Taxable bond funds	64,137	64,137	-	-
U.S. government agencies	<u>471,126</u>	<u>-</u>	<u>471,126</u>	<u>-</u>
Total assets	<u>\$ 6,317,888</u>	<u>\$ 3,905,103</u>	<u>\$ 2,412,785</u>	<u>\$ -</u>

		<u>2023</u>		
	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Common stock	\$ 1,981,391	\$ 1,981,391	\$ -	\$ -
Corporate bonds & notes	1,338,632	-	1,338,632	-
ETF large cap/multi-cap	-	-	-	-
Foreign equities	186,563	186,563	-	-
International equity funds	238,004	238,004	-	-
Mid cap equity funds	540,716	540,716	-	-
Misc cash equiv – txbl	644,833	644,833	-	-
Small cap equity funds	284,374	284,374	-	-
Taxable bond funds	131,566	131,566	-	-
U.S. government agencies	<u>441,054</u>	<u>-</u>	<u>441,054</u>	<u>-</u>
Total assets	<u>\$ 5,787,133</u>	<u>\$ 4,007,447</u>	<u>\$ 1,779,686</u>	<u>\$ -</u>

Management evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total assets. For the years ended December 31, 2024 and 2023, there were no significant transfers in or out of Levels 1, 2 or 3.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 6 - LINE OF CREDIT

The Organization has a line of credit with PNC Bank with a maximum debt facility of \$125,000. This agreement renews automatically on October 1, 2025. At December 31, 2024 and 2023, there were no amounts outstanding on the line. Additionally, there were no borrowings on the line of credit during 2024 or 2023. Interest is payable monthly equal to the index plus 0.89%. The rate was 9.39% and 9.39% as of December 31, 2024 and 2023, respectively. Borrowings under this agreement are collateralized by substantially all of the assets of the Organization.

NOTE 7 - LILLY ENDOWMENT FUND

The Organization's endowment consists of donor-restricted contributions from Lilly Endowment and various donors to provide long-term organizational and operational sustainability. As required by accounting principles generally accepted in the United States of America ("GAAP"), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law

The Board of Directors has interpreted the State Prudent Management of Institutional Funds Act ("SPMIFA") as requiring the preservation of the fair value of the original gift as of the date of the donor restricted endowment funds, unless there are explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give at fair value) donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organization
- (7) The investment policies of the Organization

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 7 - LILLY ENDOWMENT FUND (CONTINUED)

As of December 31, 2024 and 2023, the Organization had the following endowment net asset composition by type of fund:

December 31, 2024

Donor-restricted endowment funds:

Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ 4,507,000
Accumulated investment gains (losses)	<u>1,810,888</u>
	<u>\$ 6,317,888</u>

December 31, 2023

Donor-restricted endowment funds:

Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ 4,507,000
Accumulated investment gains (losses)	<u>1,280,133</u>
	<u>\$ 5,787,133</u>

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. There were no such deficiencies as of December 31, 2024 and 2023.

Investment and spending policies

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs and operational sustainability supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity.

Under this policy, as approved by the Board of Directors, the endowment assets are invested to provide for sufficient asset growth after spending to preserve the inflation-adjusted value of the assets (as measured by the Consumer Price Index) over the investment time horizon. Actual returns in any given year may vary from this objective.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on income-based investments to achieve its long-term return objectives within prudent risk constraints.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 7 - LILLY ENDOWMENT FUND (CONTINUED)

Investment and spending policies (Continued)

Disbursements shall be 2% to 4% of the average market value of the Endowment fund for the following three year periods as long as such distributions are within the spending constraints of the investment policy and the Lilly Endowment Grant Agreement. Up to 6% may be expended for an emergency whereby the full Board has determined an emergency exists, complies with external restrictions and with Board approval. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Changes in Endowment net assets as of December 31, 2024 and 2023 are as follows:

Endowment net assets, January 01, 2023	\$ 5,148,485
Investment income, net of fees of \$21,514	110,381
Net realized and unrealized	<u>528,267</u>
Total investment return	638,648
Endowment net assets, December 31, 2023	5,787,133
Investment income, net of fees of \$33,435	154,520
Net realized and unrealized	<u>376,235</u>
Total investment return	<u>530,755</u>
Endowment net assets, December 31, 2024	<u>\$ 6,317,888</u>

NOTE 8 - EMPLOYEE BENEFITS

The Organization has established a 403(b) tax-deferred annuity plan for its employees. Employees can make pretax contributions in addition to any discretionary payments made by the Organization. The Organization made contributions totaling \$14,860 and \$15,271 the years ended December 31, 2024 and 2023, respectively.

NOTE 9 - OPERATING LEASES

The Organization is obligated under an operating lease agreement with monthly payments of \$318 through January 2027. Total operating lease payments were \$3,816 and \$3,816 for the years ended December 31, 2024 and 2023, respectively.

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 9 - OPERATING LEASES (CONTINUED)

The following summarizes the weighted-average discount rate and remaining lease terms as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Weighted average remaining lease term	2 Years	3 Years
Weighted average discount rate	1.63%	1.63%

Future minimum lease payments under these obligations are as follows:

2025	\$	3,816
2026		3,816
2027		<u>318</u>
Total lease		7,950
Less imputed interest		<u>(139)</u>
	\$	<u><u>7,811</u></u>

NOTE 10 - FUNCTIONAL ALLOCATION OF UNITED WAY SUPPORT

Support from United Way for years ended December 31, 2024 and 2023, was allocated to the following program services and supporting activities:

	<u>2024</u>	<u>2023</u>
Indirect public support from United Way:		
Community Impact Fund	\$ <u>333,348</u>	\$ <u>306,250</u>
Program allocation:		
Program services:		
Child day care	\$ 45,377	\$ 73,837
School age child care	82,645	85,083
HIV AIDS	2,378	28,546
Access services	213,316	105,306
Nutrition	-	1,634
General social development	-	723
Senior citizens services	10,449	10,991
Transportation services	<u>-</u>	<u>130</u>
	\$ <u><u>354,165</u></u>	\$ <u><u>306,250</u></u>

CONCORD CENTER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 11 - RELATED PARTY TRANSACTIONS

The Organization paid for services provided by board members' companies during 2024 and 2023. The services relate to providing maintenance and repair services. The Organization paid related parties a total of \$5,326 and \$4,860 in 2024 and 2023, respectively. Any related parties on the Board of Directors refrain from voting on related party transactions.

NOTE 12 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following:

	<u>2024</u>	<u>2023</u>
With donor restrictions:		
Purpose restrictions:		
Women's Fund	\$ 12,000	\$ -
United Way Basic Needs	-	24,847
Lilly Endowment – Spec Asst 21-22	-	35,511
Lilly Endowment Immigration	75,513	249,148
Indianapolis Foundation	10,000	-
CICF Senior Fund	-	7,497
Ind Sports Corp	-	5,000
Financial sustainability (Lilly Endowment)	1,810,888	1,280,133
Time restricted:		
Lilly three year	360,447	666,392
Perpetual in nature:		
Lilly Endowment fund	<u>4,507,000</u>	<u>4,507,000</u>
Total with donor restrictions	<u>\$ 6,775,848</u>	<u>\$ 6,775,528</u>