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**MID-COUNTY UNITED MINISTRIES, INC.**

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**Financial Statements**  
**As of June 30, 2022**

**MID-COUNTY UNITED MINISTRIES, INC.**

**Financial Statements  
June 30, 2022 and 2021**

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**Barry K. Jackman, MBA., CPA**

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Mid-County United Ministries, Inc.  
Silver Spring, Maryland

**Report on Financial Statements**

We have audited the accompanying financial statements of the Mid-County United Ministries, Inc. (the "Organization") (a nonprofit organization), which comprise the Statements of Financial Position as of June 30, 2022, and the related Statements of Activities and Changes in Nets Assets, Cash Flows and Functional Expenses for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

11, Fairmount Avenue #106, Boston, MA, 02136

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, 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.

**Other Matter - Comparative Information**

The auditor has not audited, reviewed or compiled the June 30, 2021 financial statements and assumes no responsibility for them.



Barry K. Jackman, MBA., CPA  
**Boston, Massachusetts**

April 28, 2023



**MID - COUNTY UNITED MINISTRIES, INC.**

**Statement of Financial Position  
As of June 30, 2022**

MID - COUNTY UNITED MINISTRIES, INC

Statement of Financial Position  
As of June 30,2022

<b>ASSETS</b>		<b>6/30/2022</b>	<b>Unaudited 6/30/2021</b>
<b>Current Assets:</b>			
Cash and Equivalents	\$	106,800	\$ 159,389
Accounts Receivable	\$	23,925	\$ -
<b>Total Current Assets</b>	<b>\$</b>	<b>130,725</b>	<b>\$ 159,389</b>
<b>Property and Equipment, net</b>	<b>\$</b>	<b>3,084</b>	<b>\$ -</b>
<b>Total Assets</b>	<b>\$</b>	<b>133,809</b>	<b>\$ 159,389</b>
<b>Current Liabilities:</b>			
Credit Cards	\$	1,379	\$ 428
Accrued Liabilities	\$	9,500	\$ -
<b>Total Current Liabilities</b>	<b>\$</b>	<b>10,879</b>	<b>\$ 428</b>
<b>Net Assets:</b>			
Unrestricted Net Assets	\$	122,930	\$ 158,961
<b>Total Liabilities and Equity</b>	<b>\$</b>	<b>133,809</b>	<b>\$ 159,389</b>

*The accompanying notes are an integral part of the combined financial statements.*

**MID COUNTY UNITED MINISTRIES, INC.**

**Statement of Activities and Changes in Net Assets**

**For June 30, 2022**

**(with comparative totals for June 30, 2021)**

	<b>6/30/2022</b>			<b>Unaudited</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>6/30/2021</b>
<b>Revenues, Gain and Other Support:</b>				
Government/NGO Funding	\$ -	\$ 195,814	\$ 195,814	\$ 273,980
Individual Contributions	\$ 43,675		\$ 43,675	\$ 77,925
Corporate Contributions	\$ 13,467		\$ 13,467	\$ 25,089
Congregational Gifts	\$ 20,509		\$ 20,509	\$ 31,465
Fundraising Events	\$ 3,257	\$ -	\$ 3,257	\$ -
Civic Organizations	\$ 300	\$ -	\$ 300	\$ -
In-Kind Donations	\$ -	\$ 93,291	\$ 93,291	\$ 22,686
Other Revenue	\$ 3	\$ -	\$ 3	\$ 238
Paypal Sales	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues, Gain and Other Support</b>	<b>\$ 81,210</b>	<b>\$ 289,105</b>	<b>\$ 370,315</b>	<b>\$ 431,382</b>
<b>Expenses:</b>				
Program Services	\$ 351,744	\$ -	\$ 351,744	\$ 313,752
Management and General Expenses	\$ 54,200	\$ -	\$ 54,200	\$ 94,001
<b>Total Expenses</b>	<b>\$ 405,944</b>	<b>\$ -</b>	<b>\$ 405,944</b>	<b>\$ 407,753</b>
<b>Changes in Net Assets</b>	<b>\$ (324,734)</b>	<b>\$ 289,105</b>	<b>\$ (35,629)</b>	<b>\$ 23,629</b>
<b>Net Assets, Beginning of Year</b>	<b>\$ 158,559</b>	<b>\$ -</b>	<b>\$ 158,559</b>	<b>\$ 135,331</b>
<b>Net Assets, End of Year</b>	<b>\$ (166,175)</b>	<b>\$ 289,105</b>	<b>\$ 122,930</b>	<b>\$ 158,961</b>

*The accompanying notes are an integral part of the combined financial statements.*

MID COUNTY UNITED MINISTRIES, INC.

Statement of Cash Flows  
For June 30, 2022 and June 30, 2021

	6/30/2022	Unaudited 6/30/2021
<b>Cash Flows from Operating Activities:</b>		
Changes in net assets	\$ (35,629)	\$ 23,629
Adjustments to reconcile changes in net assets to net cash provided by (applied to) operating activities:		
Depreciation	\$ 280	\$ -
Changes in assets and liabilities:		
Accounts Receivable	\$ (23,925)	\$ 2,028
Prepaid Expenses	\$ -	\$ (745)
Credit Cards	\$ 950	\$ 428
Accrued Liabilities	\$ 9,500	\$ (6,012)
Payroll Liabilities	\$ -	\$ 174
<b>Total Adjustments</b>	<b>\$ (13,195)</b>	<b>\$ (4,126)</b>
<b>Net Cash Provided by (applied to) Operating Activities</b>	<b>\$ (48,824)</b>	<b>\$ 19,503</b>
<b>Cash Flows from Investing Activities:</b>		
Furniture and Equipment	\$ (3,364)	\$ -
<b>Net Cash Applied to Investing Activities</b>	<b>\$ (3,364)</b>	<b>\$ -</b>
<b>Cash Flows from Financing Activities:</b>		
Opening Balance Equity	\$ -	\$ -
Unrestricted Net Assets	\$ (402)	\$ (2,028)
<b>Net Cash applied to Financing Activities</b>	<b>\$ (402)</b>	<b>\$ (2,028)</b>
<b>Net Increase (Decrease) in Cash and Equivalents</b>	<b>\$ (52,589)</b>	<b>\$ 17,475</b>
<b>Cash and Equivalents, Beginning of Year</b>	<b>\$ 159,389</b>	<b>\$ 141,914</b>
<b>Cash and Equivalents, End of Year</b>	<b>\$ 106,800</b>	<b>\$ 159,389</b>

*The accompanying notes are an integral part of the combined financial statements.*



MID-COUNTY UNITED MINISTRIES, INC.

Statements of Functional Expenses  
 For June 30, 2022  
 (with comparative totals for the year ended June 30, 2021)

	6/30/2022			Unaudited 6/30/2021	
	Program Services	Management and General	Total		
<b>Employee Compensation and Related Expense:</b>					
Payroll Expenses	\$ 41,250	\$ 9,731	\$ 50,981	\$ 57,806	
Grant Writer	\$ 7,700	\$ -	\$ 7,700	\$ -	
Payroll Taxes	\$ 2,869	\$ 1,739	\$ 4,608	\$ 12,977	
Payroll Processing	\$ -	\$ 1,563	\$ 1,563	\$ 1,840	
<b>Subtotal</b>	<b>\$ 51,819</b>	<b>\$ 13,034</b>	<b>\$ 64,853</b>	<b>\$ 72,623</b>	
<b>Program Expenses:</b>					
Food Distribution	\$ 196,715	\$ -	\$ 196,715	\$ 231,374	
Mobile Food Pantry	\$ 8,997	\$ -	\$ 8,997	\$ 10,909	
Office Pantry	\$ 13,065	\$ -	\$ 13,065	\$ 13,065	
Contracted Services	\$ 11,186	\$ -	\$ 11,186	\$ 10,498	
Miscellaneous Distribution	\$ 11,130	\$ -	\$ 11,130	\$ (630)	
Food Storage	\$ 28,723	\$ -	\$ 28,723	\$ 19,092	
Utilities	\$ 19,817	\$ -	\$ 19,817	\$ 7,153	
Evictions	\$ 8,481	\$ -	\$ 8,481	\$ 11,060	
Pharmaceuticals	\$ 1,812	\$ -	\$ 1,812	\$ 1,568	
<b>Subtotal</b>	<b>\$ 299,925</b>	<b>\$ -</b>	<b>\$ 299,925</b>	<b>\$ 304,088</b>	
<b>Direct Administrative:</b>					
Professional Fees	\$ -	\$ 14,918	\$ 14,918	\$ 1,320	
Fundraising Expenses	\$ -	\$ 460	\$ 460	\$ -	
Insurance	\$ -	\$ 227	\$ 227	\$ 773	
Staff Development	\$ -	\$ 211	\$ 211	\$ -	
Small Equipment	\$ -	\$ 2,370	\$ 2,370	\$ 1,964	
Office Supplies	\$ -	\$ 3,723	\$ 3,723	\$ 4,282	
Office (In Kind)	\$ -	\$ 5,883	\$ 5,883	\$ 5,883	
Membership Dues	\$ -	\$ 500	\$ 500	\$ 39	
Postage, Shipping and Delivery	\$ -	\$ 811	\$ 811	\$ 1,339	
Bank Charges	\$ -	\$ 582	\$ 582	\$ 1,066	
Telecommunications	\$ -	\$ 2,473	\$ 2,473	\$ 2,099	
Printing and Copying	\$ -	\$ 2,284	\$ 2,284	\$ 4,899	
License and Registration	\$ -	\$ 125	\$ 125	\$ 325	
Subscription Services	\$ -	\$ 5,610	\$ 5,610	\$ 6,162	
Other	\$ -	\$ 709	\$ 709	\$ 892	
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 40,886</b>	<b>\$ 40,886</b>	<b>\$ 31,043</b>	
<b>Depreciation</b>	<b>\$ -</b>	<b>\$ 280</b>	<b>\$ 280</b>	<b>\$ -</b>	
<b>Total</b>	<b>\$ 351,744</b>	<b>\$ 54,200</b>	<b>\$ 405,944</b>	<b>\$ 407,753</b>	

The accompanying notes are an integral part of the combined financial statements.

## MID - COUNTY UNITED MINISTRIES, INC.

### Notes to the Financial Statements June 30, 2022 and June 30, 2021

#### Note 1 **Summary of Significant Accounting Policies**

##### Organization

Mid-County United Ministries, Inc. (the "Organization") is a non-profit organization formed to provide eviction prevention, utility cutoff prevention/restoration, emergency prescription drug assistance, food assistance and emergency referral services to the residents of Maryland and surrounding communities. The Organization operates its programs to five locations in Kensington, Silver Spring, Wheaton, Rockville and Aspen Hill.

##### Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- **Unrestricted net assets** - net assets that are not subject to donor-imposed stipulations.
- **Restricted net assets** - Net assets subject to donor-imposed stipulations.

##### Revenue Recognition

Contributions are recognized when a donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

##### Contributions

The Organization follows Accounting Standards Codifications (ASC) pronouncements regarding accounting for contributions received. Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence or nature of any donor restrictions. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and an increase in unrestricted net assets.

**MID - COUNTY UNITED MINISTRIES INC.**

**Notes to the Financial Statements - Continued**  
**June 30, 2022 and June 30, 2021**

**Note 1**    **Summary of Significant Accounting Policies - Continued**

Grants

Grants, contracted and similar funds received that are designated for a specific program, fiscal year or purpose by the contractor or grantor are initially classified as deferred revenue. These funds, which are considered exchange transactions, are recognized as revenues when the Organization has incurred expenditures in compliance with the contract or grant agreement.

Donated Goods and Services

The Organization's policy is to record the value of donated goods and equipment when there is an objective basis available to measure their value. Donated services will be recorded at the estimated fair values at the date of receipt to extent that they create or enhance non-financial assets or require specialized skills, which, if not provided by donation, would have to be purchased by the Organization.

Cash and Equivalents

The Organization considers any highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable

The Organization provides an allowance for doubtful accounts equal to the estimated uncollectible portion of the receivables. This estimate is based on historical collection experience and a review of the current status of accounts receivable. The Organization has determined an allowance is not needed for the fiscal year ended June 30, 2022.

Property, Equipment and Depreciation

Property and equipment are stated at cost. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. The Organization follows the practice of capitalizing all material expenditures for property and equipment. The Organization assesses property and equipment for impairment on an annual basis.

**MID - COUNTY UNITED MINISTRIES INC.**

**Notes to the Financial Statements - Continued**  
**June 30, 2022 and June 30, 2021**

**Note 1**    **Summary of Significant Accounting Policies - Continued**

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 about future events. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. Management evaluates the estimates and assumptions on an ongoing basis using historical experience and other factors that management believes to be reasonable under the circumstances. Adjustments to estimates and assumptions are made as facts and circumstances require. As future events and their effects cannot be determined with certainty, actual results may differ from the estimates used in preparing the accompanying financial statements. Significant estimates and assumptions are required as part of determining the present value of allowance for doubtful accounts and estimating depreciation.

Income Tax Status

Accounting principles generally accepted in the United States of America require an entity to assess the probability that a tax position has a "more likely than not" (MLTN) sustainability after review by tax authorities. If a tax position is deemed not to meet this threshold, any unrecognized tax benefits and costs are estimated and recognized. As a not-for-profit entity exempt from income taxes under section 501(c)(3) of the Internal Revenue Code, the Organization may, however, be subject to tax on unrelated business income.

MID - COUNTY UNITED MINISTRIES

Notes to the Financial Statements - Continued  
June 30, 2022 and June 30, 2021

**Note 2** Property and Equipment

Property and equipment consist of the following at June 30:

	<u>6/30/2022</u>		<u>Unaudited</u> <u>6/30/2021</u>	
Furniture and equipment	\$	3,944	\$	580
	<b>\$</b>	<b>3,944</b>	<b>\$</b>	<b>580</b>
Less: Accumulated Depreciation	\$	860	\$	580
Property and Equipment, Net	<b>\$</b>	<b>3,084</b>	<b>\$</b>	<b>-</b>

**Note 3** Covid-19

On March 11, 2020 the World Health Organization characterized the outbreak of a novel strain of coronavirus (Covid-19) as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Changes to the operating environment may increase operating costs. The future affects of these issues are unknown.

**Note 4** Management's Acceptance of Financial Statements

Management has evaluated subsequent events through April 28, 2023, the date for which which the financial statements were available for issuance. Management accepted the financial statements and did not identify any events subsequent to June 30, 2022 requiring disclosure in these financial statements.