

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Meyaard Tolman & Venlet p.c.  
Certified Public Accountants  
Zeeland, Michigan

## TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT.....	1
STATEMENT OF FINANCIAL POSITION.....	3
STATEMENT OF ACTIVITIES.....	4
STATEMENT OF FUNCTIONAL EXPENSES .....	5
STATEMENT OF CASH FLOWS.....	6
NOTES TO FINANCIAL STATEMENTS.....	7



**MEYAARD TOLMAN & VENLET p.c.**  
*Certified Public Accountants*

Jayne E. Venlet, CPA  
John P. Rosendall, CPA

Matthew Mol, CPA, CFE  
Lyndon Wood, CPA  
Chanda M. Leech, CPA  
Tyler D. Westman, CPA

Glenn Meyaard, CPA (Retired)

Charles D. Olszewski, CPA (1955-2020)  
Kenneth Tolman, CPA (1959-2003)

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
Caribbean Christian Centre for the Deaf, Inc.  
Zeeland, Michigan

We have audited the accompanying financial statements of Caribbean Christian Centre for the Deaf, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

**Opinion**

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

**Basis for Opinion**

We conducted our audits 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 Caribbean Christian Centre for the Deaf, 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.

**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.

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 Caribbean Christian Centre for the Deaf, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable

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 generally accepted auditing standards, we:

Exercise professional judgement 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 Caribbean Christian Centre for the Deaf, 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 Caribbean Christian Centre for the Deaf, 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.

*Meyaard Tolman & Venlet p.c.*

Meyaard Tolman & Venlet p.c.  
Certified Public Accountants  
October 24, 2023

**CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2022**

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 408,392
Total Current Assets	<u>408,392</u>

TOTAL ASSETS	\$ <u>408,392</u>
--------------	-------------------

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Payroll taxes withheld and accrued	\$ 9,577
Total Current Liabilities	<u>9,577</u>

Total Liabilities	9,577
-------------------	-------

NET ASSETS:

Without Donor Restrictions	126,505
With Donor Restrictions	<u>272,310</u>
Total Net Assets	<u>398,815</u>

TOTAL LIABILITIES AND NET ASSETS	\$ <u>408,392</u>
----------------------------------	-------------------

See accompanying notes.

**CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES</b>			
Contributions and grants	\$ 291,067	\$ 1,187,699	\$ 1,478,766
Interest income	217	-	217
Net assets released from restrictions	<u>1,207,716</u>	<u>(1,207,716)</u>	<u>-</u>
Total Revenues	<u>1,499,000</u>	<u>(20,017)</u>	<u>1,478,983</u>
<b>EXPENSES</b>			
Program services	1,269,848	-	1,269,848
Administrative	94,523	-	94,523
Fundraising	<u>125,841</u>	<u>-</u>	<u>125,841</u>
Total Expenses	<u>1,490,212</u>	<u>-</u>	<u>1,490,212</u>
CHANGE IN NET ASSETS	8,788	(20,017)	(11,229)
NET ASSETS, JANUARY 1	<u>117,717</u>	<u>292,327</u>	<u>410,044</u>
NET ASSETS, DECEMBER 31	<u>\$ 126,505</u>	<u>\$ 272,310</u>	<u>\$ 398,815</u>

See accompanying notes.

**CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2022**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
School operating costs	\$ 396,299	\$ -	\$ -	\$ 396,299
Child sponsorships	308,583	-	-	308,583
Work teams (L.I.F.E.)	291,972	-	-	291,972
Payroll	118,278	57,105	99,380	274,763
Special projects	123,983	-	-	123,983
Payroll taxes	9,048	4,368	7,602	21,018
Insurance	9,301	1,186	-	10,487
Computer services	3,332	3,332	3,332	9,996
Travel and meetings	-	2,560	5,170	7,730
Professional services	-	6,710	575	7,285
Equipment rental and maintenance	2,239	2,239	2,240	6,718
Meals and lodging	1,583	1,583	3,166	6,332
Postage and shipping	1,457	1,457	1,457	4,371
Rent	-	3,492	-	3,492
Miscellaneous	549	2,542	-	3,091
Office supplies	1,024	1,005	1,004	3,033
Contracted services	-	3,014	-	3,014
Employee benefits	1,308	588	1,023	2,919
Printing and copying	892	893	892	2,677
Memberships	-	1,205	-	1,205
Bank and processing fees	-	1,144	-	1,144
Staff development	-	100	-	100
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$ 1,269,848</u>	<u>\$ 94,523</u>	<u>\$ 125,841</u>	<u>\$ 1,490,212</u>

See accompanying notes.

**CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2022**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Change in net assets	\$ (11,229)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Increase (decrease) in accounts payable and accrued expenses	<u>(260)</u>
Net Cash Provided (Used) By Operating Activities	<u>(11,489)</u>
Net change in cash and cash equivalents	(11,489)
Cash and cash equivalents, beginning	<u>419,881</u>
Cash and cash equivalents, ending	<u><u>\$ 408,392</u></u>

There were no payments of interest or income taxes.

See accompanying notes.



**CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities and Mission** - Caribbean Christian Centre for the Deaf, Inc. (“CCCD”) exists to reach, teach, and nurture the deaf of Jamaica. Our mission is to connect people with the needs of the Caribbean community, to empower Deaf leadership, Deaf evangelism, and the Deaf church by supporting education, employment, and entrepreneurial endeavors.

**Vision** - A Caribbean where all Deaf people have access to language, education, employment, and the Gospel of Jesus Christ.

To achieve its mission, CCCD supports and works with a charitable organization located in Jamaica. During 2022, \$1,065,282 was disbursed to Caribbean Christian Centre for the Deaf Jamaica LTD for program services in Jamaica.

**Income Tax Exemption** - CCCD is a non-profit organization as described in Section 501(c) (3) of the Internal Revenue Code and is exempt from federal and state income taxes.

**Basis of Presentation** - The accompanying financial statements have been prepared on the accrual basis of accounting. The financial statements are presented in accordance with the provisions of FASB ASC 958, *Not-for-Profit Entities*, and the AICPA Audit and Accounting Guide for Not-for-Profit Organizations (the “Guide”).

Under the provisions of FASB ASC 958 and the Guide, net assets and revenues, expenses, gains and losses are classified according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

- 1) Net Assets Without Donor Restriction - net assets that are not subject to donor-imposed stipulations.
- 2) Net Assets with Donor Restriction – net assets whose use is limited by donor-imposed time And/or purpose restrictions.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities and changes in net assets.

**Cash and Cash Equivalents** - CCCD considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Compensated absences** - CCCD has not accrued compensated absences since the amount is deemed to be immaterial.

**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.

**Advertising** - All advertising costs are expensed as incurred.

**Property, Equipment and Depreciation** - Property and equipment are stated at cost or, if donated, at the fair market value at the date of the gift. Depreciation is computed using a straight-line method over

the estimated useful lives of the assets. Property and equipment with a useful life of more than one year and an acquisition cost of \$3,000 or more is capitalized.

**Revenue Recognition** – Contributions or pledges from donors that are unconditional, are recognized by CCCD as net assets without donor restrictions in the period received. Contributions or pledges from donors with donor-imposed conditions are reported as net assets with donor restrictions in the period received. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities and changes in net assets as net assets released from restrictions.

**Leases** – CCCD calculates operating lease liabilities using its incremental borrowing rate, using a comparable period with the lease term. All lease and non-lease components are combined for all leases. Lease payments for leases with a term of 12 months or less are expensed on a straight-line basis over the term of the lease with no lease asset or liability recognized.

### **Donated Services and Property and Equipment**

Professional services - Donated professional services are recognized as contributions in accordance with *Accounting Standards Codification*, if the professional services (a) create or enhance nonfinancial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. No amounts have been recognized in the statement of activities because there were no contributions meeting the criteria for recognition.

Property and equipment - Contributions of property and equipment are reflected in the accompanying financial statements to the extent that they are objectively measurable and represent program or support services expenditures that would otherwise be incurred by the Organization. No contributions of property and equipment were received during 2022.

Volunteer services - The Organization also received a significant amount of donated services from unpaid volunteers who assisted in fund raising and special projects. No amounts have been recognized in the statement of activities because the contributions do not meet the criteria for recognition.

### **LEASE**

CCCD has a lease agreement for its administrative office located in Zeeland, Michigan. A three-year lease extension was in place from October 1, 2015 through September 30, 2018. An additional three-year lease extension was signed, extending the lease through September 30, 2021. An additional three-year lease extension was signed, extending the lease through September 30, 2024. Lease payments were \$391 during 2021 with a total paid of \$4,392.

CCCD has an operating lease agreement for office equipment. A five-year lease is in effect from October 1, 2021 through September 30, 2026, with monthly payments of \$225.

Future minimum payments years ending December 31 are:

2023	\$ 6,180
2024	5,319
2025	2,700
2026	<u>2,025</u>
Total	<u>\$16,224</u>

The total of these two leases is deemed to be immaterial. Therefore, no right of use asset or lease liability has been recognized or recorded.

## NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2022, CCCD's net assets with donor restrictions consist of \$272,310 to be used for Jamaica program expenses in 2023.

## LIQUIDITY

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

Financial assets at December 31:

Cash and cash equivalents (Total Financial Assets at year end)	\$ 408,392
Less donor-restricted for 2023 programs	<u>272,310</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 136,082</u>

## NEW ACCOUNTING GUIDANCE IMPLEMENTATION

As of January 1, 2022, CCCD changed its accounting method for leases as a result of implementing the requirements in the Financial Accounting Standard Board's Accounting Standards Codification (ASC) 942 Leases, using the modified retrospective transition method. There were no cumulative effect adjustments to CCCD's net assets as of January 1, 2022.

The new lease guidance requires the recognition of a right-of-use asset and a lease liability for operating leases. CCCD elected the package of practical expedients, which allowed, among other things, for not reassessing the lease classification of initial direct costs for existing leases. CCCD has not elected the hindsight practical expedient.

As of January 1, 2022, there were no finance or operating lease right-of-use assets nor corresponding lease liabilities recognized. Adoption of the new guidance had no impact to the statement of activities or cash flows for the year ended December 31, 2022.

## SUBSEQUENT EVENTS

Subsequent events were evaluated through October 24, 2023, which is the date the financial statements were available to be issued.