

Audited Financial Statements and
Other Financial Information

Cobscook Community Learning Center

December 31, 2022



Proven Expertise & Integrity

COBSCOOK COMMUNITY LEARNING CENTER

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Cobscook Community Learning Center
dba Cobscook Institute
Trescott, Maine 04652

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cobscook Community Learning Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022 and 2021, the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Cobscook Community Learning Center 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 audit 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 Cobscook Community Learning Center 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 opinions.

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.

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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 Cobscook Community Learning Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of 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 misstatements 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 controls 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 Cobscook Community Learning Center'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 doubt about Cobscook Community Learning Center'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.

RHR Smith & Company

Buxton, Maine
October 6, 2023

COBSCOOK COMMUNITY LEARNING CENTER

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

	2022	2021 (Restated)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 389,577	\$ 548,590
Accounts receivable (net of allowance for uncollectibles)	17,243	7,423
Prepaid items	11,479	-
Total current assets	418,299	556,013
FIXED ASSETS		
Land	505,827	505,827
Buildings	2,972,619	2,972,619
Equipment	300,811	300,811
Furniture and fixtures	44,160	44,160
Vehicles	76,831	76,831
Construction in progress	27,064	-
Total fixed assets	3,927,312	3,900,248
Less: Accumulated depreciation	(1,040,291)	(960,334)
Net fixed assets	2,887,021	2,939,914
OTHER ASSETS		
Assets held by agent	98,271	118,128
Restricted cash - Capital reserve	11,881	31,734
Restricted cash - Campus construction	194	194
Restricted cash - Construction	16,645	28,075
Restricted cash - Scholarships	25,026	28,322
Restricted cash - CFHATP	1,464	14,761
Total other assets	153,481	221,214
TOTAL ASSETS	\$ 3,458,801	\$ 3,717,141
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 5,347	\$ 7,954
Accrued payroll	20,785	16,836
Accrued vacation	16,311	19,958
Accrued expenses	180	16,914
Current portion of long-term liabilities	25,913	165,686
Total current liabilities	68,536	227,348
LONG-TERM LIABILITIES		
Deferred revenue	500	1,457
Noncurrent portion of long-term liabilities:		
Notes payable	436,148	462,465
Total long-term liabilities	436,648	463,922
NET ASSETS		
Unrestricted property, plant and equipment	2,424,960	2,311,763
With external source restrictions	55,210	103,086
Without external source restrictions	473,447	611,022
Total net assets	2,953,617	3,025,871
TOTAL LIABILITIES AND NET ASSETS	\$ 3,458,801	\$ 3,717,141

See accompanying independent auditor's report and notes to financial statements.

COBSCOOK COMMUNITY LEARNING CENTER

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31,

	2022			2021		
	Without External Source Restrictions	With External Source Restrictions	Total	Without External Source Restrictions	With External Source Restrictions	Total
REVENUE AND OTHER SUPPORT						
Grants and foundations	\$ 407,718	\$ -	\$ 407,718	\$ 478,959	\$ -	\$ 478,959
Contributions	111,290	-	111,290	530,129	-	530,129
Program income	292,541	-	292,541	176,082	-	176,082
Residency rent	6,735	-	6,735	7,625	-	7,625
Interest income	3,253	-	3,253	368	-	368
Miscellaneous income	139,574	-	139,574	32,575	-	32,575
Satisfaction of time and purpose restrictions	47,876	(47,876)	-	(1,704)	1,704	-
TOTAL REVENUE AND OTHER SUPPORT	1,008,987	(47,876)	961,111	1,224,034	1,704	1,225,738
EXPENSES						
Salaries and benefits	496,518	-	496,518	410,508	-	410,508
Payroll taxes	37,614	-	37,614	31,130	-	31,130
Depreciation expense	79,957	-	79,957	78,082	-	78,082
Conferences	842	-	842	375	-	375
Interest expense	19,696	-	19,696	20,760	-	20,760
Equipment	43,524	-	43,524	35,674	-	35,674
Insurance	39,490	-	39,490	50,009	-	50,009
Other	13,318	-	13,318	13,614	-	13,614
Outreach and public relations	19,851	-	19,851	11,614	-	11,614
Dues and subscriptions	1,060	-	1,060	1,536	-	1,536
Professional fees	89,386	-	89,386	102,095	-	102,095
Program expenses	101,508	-	101,508	87,532	-	87,532
Repairs and maintenance	40,611	-	40,611	22,416	-	22,416
Supplies	8,742	-	8,742	5,352	-	5,352
Travel expense	925	-	925	-	-	-
Utilities	40,323	-	40,323	41,752	-	41,752
TOTAL EXPENSES	1,033,365	-	1,033,365	912,449	-	912,449
CHANGE IN NET ASSETS	(24,378)	(47,876)	(72,254)	311,585	1,704	313,289
NET ASSETS - JANUARY 1, RESTATED	2,922,785	103,086	3,025,871	2,611,200	101,382	2,712,582
NET ASSETS - DECEMBER 31	\$ 2,898,407	\$ 55,210	\$ 2,953,617	\$ 2,922,785	\$ 103,086	\$ 3,025,871

See accompanying independent auditor's report and notes to financial statements.

COBSCOOK COMMUNITY LEARNING CENTER

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ (72,254)	\$ 313,289
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	79,957	78,082
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(9,820)	2,474
(Increase) decrease in prepaid items	(11,479)	-
Increase (decrease) in accounts payable	(2,607)	5,990
Increase (decrease) in accrued payroll	3,949	2,184
Increase (decrease) in accrued vacation	(3,647)	3,226
Increase (decrease) in accrued expenses	(16,734)	9,346
Increase (decrease) in deferred revenue	(957)	172
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(33,592)	414,763
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
(Purchase)/disposition of property and equipment	(27,064)	(402,895)
Proceeds from note payable	-	140,786
Transfer of assets to agent	19,857	(14,984)
PPP loan forgiveness	(140,786)	-
Payments on long-term debt	(25,304)	(24,314)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(173,297)	(301,407)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(206,889)	113,356
CASH AND CASH EQUIVALENTS - JANUARY 1, RESTATED	651,676	538,320
CASH AND CASH EQUIVALENTS - DECEMBER 31	\$ 444,787	\$ 651,676
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	\$ 19,696	\$ 20,760
Cash reported on the Statement of Financial Position:		
Cash and cash equivalents	\$ 389,577	\$ 548,590
Restricted cash - Capital reserve	11,881	31,734
Restricted cash - Campus Construction	194	194
Restricted cash - Construction	16,645	28,075
Restricted cash - Scholarships	25,026	28,322
Restricted cash - CFHATP	1,464	14,761
	\$ 444,787	\$ 651,676

See accompanying independent auditor's report and notes to financial statements.

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Cobscook Community Learning Center creates responsive educational opportunities that strengthen personal, community and global well-being. The largest revenue sources are grants, foundation income, program income and Heartwood Lodge rentals.

Implementation of New Accounting Standards

During the year ended December 31, 2022, the following statements of financial accounting standards issued by the Financial Accounting Standards Board became effective:

2018-14 Compensation-Retirement Benefits, 2019-12 Income Taxes, 2020-01 Investments-Equity Method, 2020-07 Not-for-Profit Entities (Topic 958), 2020-08 Codification Improvements, 2020-10 Codification Improvements, 2021-04 Earnings Per Share, Debt, Compensation and Derivatives and Hedging, 2021-05 Leases, 2021-07 Compensation, 2021-09 Leases and 2021-10 Government Assistance.

Management has determined the impact of these updates are not material to the financial statements.

Basis of Accounting

The financial statements of the Center have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Display of Net Assets by Class

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions in accordance with the provisions of FASB ASU No. 2016-14. Net assets are classified as follows:

Without external source restricted net assets - Net assets that are not subject to donor-imposed stipulations.

With external source restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Center and/or the passage of time. When a donor restriction expires, that is, when stipulated time restriction ends or purpose restriction is accomplished, with external source restricted net assets are reclassified to without external source restricted net assets and reported in the statement of activities as satisfaction of time and

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

purpose restrictions. This category also includes net assets subject to donor-imposed stipulations that contributed resources be maintained permanently but that permit the Center to use up or expend part or all of the income or other economic benefits derived from the donated asset.

Restricted contributions whose restrictions are met in the year the contribution is received are reported as without external source restrictions. Accordingly, as of and for the years ended December 31, 2022 and December 31, 2021, the Center had external source restricted net assets of \$55,210 and \$103,086, respectively.

Cash Equivalents

For purposes of the Statement of Cash Flows, the Center considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change of net assets.

Receivables

Accounts receivable from other agencies are carried at the original amount billed less an estimate made for doubtful accounts based on a review of all outstanding amounts on an annual basis. Management determines the allowance for doubtful accounts by using historical experience applied to an aging of accounts receivable. Accounts receivable from other agencies are written off with board approval when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. The allowance for uncollectible accounts was estimated to be \$0 as of December 31, 2022 and 2021. Accounts receivable netted with allowances for uncollectible accounts was \$17,243 and \$7,423 for the years ended December 31, 2022 and 2021, respectively.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Center that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in without external source restricted 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 with external source restricted net assets depending on the nature of the restrictions. When a restriction expires, with external source restricted net assets are reclassified to without external source restricted net assets.

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Fixed Assets

Fixed assets purchased, acquired or donated with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

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.

Financial Statement Presentation

The Center is required to report information regarding its financial position and activities according to two classes of net assets: with external source restrictions and without external source restrictions.

Advertising

The Center uses advertising to promote its programs among the audiences it serves. The cost of advertising expense for the fiscal years 2022 and 2021 was \$1,109 and \$1,607, respectively.

NOTE 2 - DEPOSITS AND INVESTMENTS

The Center maintains deposits at financial institutions located in Maine. The Federal Deposit Insurance Corporation (FDIC) insures accounts at each institution up to \$250,000. At times during the year the bank balances exceeded the FDIC limit, but no losses occurred.

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Center will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party.

Cash and cash equivalents as of December 31, 2022 consisted of the following:

Account Type	Bank Balance
Checking Accounts	\$ 151,657
Savings Accounts	55,950
ICS Accounts	237,758
	<u>\$ 445,366</u>

NOTE 3 - RESTRICTIONS ON CASH AND CASH EQUIVALENTS

The Center's restricted cash and cash equivalents balance consists of funds restricted for the Capital Reserves, Campus Construction, Construction, Scholarships and the CFHATP program. At December 31, 2022 and 2021, restricted cash was \$55,210 and \$103,086, respectively as shown in the table below:

	2022	2021
Cash restricted for Campus Construction	\$ 194	\$ 194
Cash restricted for Construction	16,645	28,075
Cash restricted for Capital reserves	11,881	31,734
Cash restricted for Scholarships	25,026	28,322
Cash restricted for CFHATP	1,464	14,761
	<u>\$ 55,210</u>	<u>\$ 103,086</u>

NOTE 4 - ASSETS HELD BY AGENT

The Center is an income beneficiary of assets held by Maine Community Foundation (MCF) as a result of making reciprocal transfers of assets to MCF (as the recipient organization) and specifying itself as the beneficiary. Through this arrangement, the Center has granted variance power to MCF. The Board of Trustees of the MCF has the power to modify, consistently with State law, including seeking approval of the appropriate court or Attorney General, where applicable, any restriction or condition on the distribution of funds for any specified entities if, in the sole judgment of the Board (without the necessity of the approval of any participating trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community.

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 4 - ASSETS HELD BY AGENT (CONTINUED)

Annual distributions and and/all other activity concerning these assets have been reported as expense and revenue in annual activity of the Center. The estimated fair market value of the beneficial interest in the assets, which approximate the present values of the expected future cash flows from the assets, amounted to \$98,271 for the year ended December 31, 2022 and are presented as Assets Held by Agent on the Statement of Financial Position for the Center in accordance with FASB No. 958 "Presentation of Financial Statements of Not-for-Profit Entities".

NOTE 5 - CASH LIQUIDITY

As part of the Center's liquidity management, it invests cash in excess of daily requirements in short-term investments primarily in interest bearing accounts. The Center also has a line of credit, which it can draw upon in the event of unanticipated liquidity needs. See Note 8 for more details on the Center's line of credit.

The Center's financial assets available for general expenditures within one year of the balance sheet date are as follows:

Cash and cash equivalents	\$	444,787
Accounts receivable		17,243
Less restricted funds		<u>(153,481)</u>
	\$	<u>308,549</u>

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 6 - FIXED ASSETS

The following is a summary of changes in fixed assets for the year ended December 31, 2022:

	Balance, 1/1/22 (Restated)	Additions	Disposals/ Transfers	Balance, 12/31/22
Non-depreciated assets:				
Land	\$ 505,827	\$ -	\$ -	\$ 505,827
Construction in progress	-	27,064	-	27,064
	<u>505,827</u>	<u>27,064</u>	<u>-</u>	<u>532,891</u>
Depreciated assets:				
Building	2,972,619	-	-	2,972,619
Equipment	300,811	-	-	300,811
Furniture and fixtures	44,160	-	-	44,160
Vehicles	76,831	-	-	76,831
	<u>3,394,421</u>	<u>-</u>	<u>-</u>	<u>3,394,421</u>
Less: accumulated depreciation	(960,334)	(79,957)	-	(1,040,291)
Net fixed assets	<u>2,434,087</u>	<u>(79,957)</u>	<u>-</u>	<u>2,354,130</u>
Total net assets	<u>\$ 2,939,914</u>	<u>\$ (52,893)</u>	<u>\$ -</u>	<u>\$ 2,887,021</u>

NOTE 7 - LONG-TERM LIABILITIES

The Center's long-term liabilities consist of the following:

	<u>2022</u>	<u>2021</u>
\$100,000, Note payable issued in November 2016 due in 20 years, with monthly interest and principal payments of \$482 at a fixed interest rate of 1.50% per annum. Secured by a second security interest in all business assets.	\$ 72,806	\$ 77,451
\$510,000, Note payable issued October 2016 due in 20 years, with monthly interest and principal payments of \$3,245 at a fixed interest rate of 4.50% per annum. Secured by all business assets.	389,255	409,914
\$140,786, PPP note payable with Machias Savings Bank issued April 2021, due in 5 years, with monthly interest and principal payments at a fixed interest rate of 1.00% per annum. The loan was forgiven on January 12, 2022.	-	140,786
	<u>\$ 462,061</u>	<u>\$ 628,151</u>

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 7 - LONG-TERM LIABILITIES (CONTINUED)

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 25,913	\$ 18,811	\$ 44,724
2024	26,923	17,801	44,724
2025	28,075	16,649	44,724
2026	29,229	15,495	44,724
2027	30,435	14,289	44,724
2027-2031	172,173	51,447	223,620
2032-2036	149,313	13,249	162,562
	<u>\$ 462,061</u>	<u>\$ 147,741</u>	<u>\$ 609,802</u>

NOTE 8 - LINE OF CREDIT

The Center had a renewable operating line of credit of \$50,000 in 2022, 2021 and 2020, secured by accounts receivable and equipment owned by the Center. Interest is charged at an annual rate equal to the prime rate plus 2% or 9.50% as of December 31, 2022. As of December 31, 2022 and December 31, 2021, the outstanding balance on the line of credit was \$0.

NOTE 9 - OPERATING LEASES

The Center has an ongoing lease agreement for equipment. The term of the lease is for 63 months ending in May 2025, with monthly payments of \$451. Lease expense for the years ended December 31, 2022 and 2021 was \$5,956 and \$5,674, respectively.

Future minimum lease payments for the next two years ending December 31 are as follows:

2023	\$ 5,413
2024	5,413
2025	2,256
	<u>\$ 13,082</u>

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 10 - NET INVESTMENT IN FIXED ASSETS

The following is the calculation of the net investment in fixed assets for the Center as of December 31, 2022:

Invested in fixed assets	\$ 3,927,312
Accumulated depreciation	(1,040,291)
Outstanding capital related debt	<u>(462,061)</u>
	<u>\$ 2,424,960</u>

NOTE 11 - INCOME TAXES

The Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law.

The accounting standards on accounting for uncertainty in income taxes address the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Center may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Center and various positions related to the potential sources of unrelated business taxable income. The tax benefits recognized in the financial statements from a tax position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Management believes that there were no potential sources of unrelated business taxable income subject to tax for the years ended December 31, 2022. Accordingly, no provision for income taxes has been made.

The Center files its form 990 in the U.S. federal jurisdiction and the office of the state's attorney general for the State of Maine. The Center is generally no longer subject to examination by the Internal Revenue Service for years before 2019.

NOTE 12 - RESTATEMENTS

Management determined that the net assets beginning balance needed to be restated to correct errors and omissions in the prior year. The cash balance was increased by \$661; the accumulated depreciation was increased by \$2,498; the account payable balance was decreased by \$1,049 and the accrued expense amount was increased by \$7,378.

The resulting restatements decreased total net assets by \$8,166 from \$3,034,037 to \$3,025,871.

COBSCOOK COMMUNITY LEARNING CENTER

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

NOTE 13 - SUBSEQUENT EVENTS

Cobscook Community Learning Center has evaluated subsequent events as of October 6, 2023, the date the financial statements were available to be issued and there were no material items to be disclosed.



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors
Cobscook Community Learning Center
Trescott, Maine

Our audit was made for the purpose of forming an opinion on the basic financial statements of Cobscook Community Learning Center taken as a whole. The accompanying supplemental information combined in Schedule 1 for the year ended December 31, 2022, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subject to auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

RHR Smith & Company

Buxton, Maine
October 6, 2023

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SCHEDULE 1

COBSCOOK COMMUNITY LEARNING CENTER

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	HW - Programs	TREE	Fiscal Sponsorship (CFHATP)	Construction	Experiential Programs HS	The Center	Subtotal
REVENUES							
Grants and foundations	\$ -	\$ -	\$ 20,000	\$ -	\$ 66,228	\$ 25,000	\$ 111,228
Contributions	-	21,733	-	-	2,795	18,567	43,095
Program income	135	-	-	-	131,249	160,657	292,041
Residency rent	-	-	-	-	-	6,735	6,735
Interest income	2,076	-	-	31	-	-	2,107
Investment gain/loss	742	-	-	-	-	-	742
Miscellaneous income	(297)	-	-	-	(8)	953	648
TOTAL REVENUES	2,656	21,733	20,000	31	200,264	211,912	456,596
EXPENSES							
Salaries and benefits	33,476	(11)	-	-	114,820	72,701	220,986
Payroll taxes	273	3	-	-	9,640	5,255	15,171
Depreciation expense	-	-	-	-	5,430	67,796	73,226
Conferences	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-
Equipment	-	-	104	2,921	5,406	8,003	16,434
Insurance	-	-	-	-	-	-	-
Other	850	-	8	-	115	3,026	3,999
Outreach and public relations	-	-	216	-	796	2,123	3,135
Dues and subscriptions	-	-	-	-	-	155	155
Professional fees	-	-	-	1,743	358	-	2,101
Program expenses	-	-	12,897	-	16,192	53,371	82,460
Repairs and maintenance	-	-	-	8,575	22	-	8,597
Supplies	-	-	-	-	-	4,792	4,792
Travel expense	-	-	-	-	134	162	296
Utilities	(158)	-	-	-	-	-	(158)
TOTAL EXPENSES	34,441	(8)	13,225	13,239	152,913	217,384	431,194
INCREASE/(DECREASE) IN NET ASSETS	\$ (31,785)	\$ 21,741	\$ 6,775	\$ (13,208)	\$ 47,351	\$ (5,472)	\$ 25,402

SCHEDULE 1 (CONTINUED)

COBSCOOK COMMUNITY LEARNING CENTER

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Administration</u>	<u>Campus</u>	<u>Development</u>	<u>Total</u>
REVENUES				
Grants and foundations	\$ -	\$ -	\$ 296,490	\$ 407,718
Contributions	-	883	67,312	111,290
Program income	500	-	-	292,541
Residency rent	-	-	-	6,735
Interest income	1,146	-	-	3,253
Investment gain/loss	(14,699)	-	-	(13,957)
Miscellaneous income	140,788	11,593	502	153,531
TOTAL REVENUES	<u>127,735</u>	<u>12,476</u>	<u>364,304</u>	<u>961,111</u>
EXPENSES				
Salaries and benefits	80,710	114,449	80,373	496,518
Payroll taxes	7,209	9,081	6,153	37,614
Depreciation expense	2,371	3,784	576	79,957
Conferences	35	-	807	842
Interest expense	19,581	115	-	19,696
Equipment	-	27,090	-	43,524
Insurance	18,566	20,924	-	39,490
Other	5,779	1,053	2,487	13,318
Outreach and public relations	7	2,082	14,627	19,851
Dues and subscriptions	620	88	197	1,060
Professional fees	222	2,136	84,927	89,386
Program expenses	18,798	-	250	101,508
Repairs and maintenance	-	32,014	-	40,611
Supplies	109	3,841	-	8,742
Travel expense	(265)	-	894	925
Utilities	30	40,451	-	40,323
TOTAL EXPENSES	<u>153,772</u>	<u>257,108</u>	<u>191,291</u>	<u>1,033,365</u>
INCREASE/(DECREASE) IN NET ASSETS	<u>\$ (26,037)</u>	<u>\$ (244,632)</u>	<u>\$ 173,013</u>	<u>\$ (72,254)</u>

See accompanying independent auditor's report on supplemental information.