



**CENTRAL AMERICAN RESOURCE CENTER
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2018 AND 2017**

TABLE OF CONTENTS

	<u>Page No.</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statement of Activities, Year Ended December 31, 2018	4
Statement of Activities, Year Ended December 31, 2017	5
Statement of Functional Expenses, Year Ended December 31, 2018	6
Statement of Functional Expenses, Year Ended December 31, 2017	7
Statements of Cash Flows	8
Notes to the Financial Statements	9-14



Independent Auditor's Report

To the Board of Directors
Central American Resource Center
Washington, DC

We have audited the accompanying financial statements of Central American Resource Center (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, the related statements of activities, functional expenses, and cash flows for the years 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 audit 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 auditor's judgment, 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 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.

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 Central American Resource Center as of December 31, 2018 and 2017, 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.

James Marusa & M^oQuade PA

Washington, DC
June 19, 2019

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 AND 2017**

	2018	2017
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 71,943	\$ 185,200
Contracts receivable	131,610	130,651
Grants and contributions receivable	26,218	7,450
Prepaid expenses	4,471	-
Total Current Assets	234,242	323,301
PROPERTY AND EQUIPMENT, NET	716,263	717,372
TOTAL ASSETS	\$ 950,505	\$ 1,040,673
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 17,504	\$ 16,238
Deferred revenue	-	8,750
Note payable, current portion	15,348	14,421
Total Current Liabilities	32,852	39,409
NON-CURRENT LIABILITIES		
Note payable, net of current portion	219,563	240,270
Total Liabilities	252,415	279,679
NET ASSETS		
Without donor restrictions	681,590	709,661
With donor restrictions	16,500	51,333
Total Net Assets	698,090	760,994
TOTAL LIABILITIES AND NET ASSETS	\$ 950,505	\$ 1,040,673

The accompanying notes are an integral part of these financial statements.

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018**

	Without Donor restrictions	With Donor restrictions	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 107,944	\$ 104,507	\$ 212,451
Contract revenue	611,968	-	611,968
Service fees	273,778	-	273,778
Annual events	57,222	-	57,222
Rental income	1,200	-	1,200
Other revenue	3,727	-	3,727
Net assets released from restrictions	139,340	(139,340)	-
Total Revenue and Support	<u>1,195,179</u>	<u>(34,833)</u>	<u>1,160,346</u>
EXPENSES			
Program Services:			
Legal and counseling	372,429	-	372,429
Citizenship and civic participation	300,444	-	300,444
Housing	380,512	-	380,512
Total Program Services	<u>1,053,385</u>	<u>-</u>	<u>1,053,385</u>
Support Services:			
Management and general	81,336	-	81,336
Fundraising	88,529	-	88,529
Total Support Services	<u>169,865</u>	<u>-</u>	<u>169,865</u>
Total Expenses	<u>1,223,250</u>	<u>-</u>	<u>1,223,250</u>
CHANGE IN NET ASSETS	(28,071)	(34,833)	(62,904)
NET ASSETS, beginning of year	<u>709,661</u>	<u>51,333</u>	<u>760,994</u>
NET ASSETS, end of year	<u>\$ 681,590</u>	<u>\$ 16,500</u>	<u>\$ 698,090</u>

The accompanying notes are an integral part of these financial statements.

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2017**

	Without Donor restrictions	With Donor restrictions	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 125,760	\$ 209,800	\$ 335,560
Contract revenue	509,399	-	509,399
Service fees	237,520	-	237,520
Annual events	55,181	-	55,181
Other revenue	20	-	20
Net assets released from restrictions	206,800	(206,800)	-
Total Revenue and Support	1,134,680	3,000	1,137,680
EXPENSES			
Program Services:			
Legal and counseling	311,824	-	311,824
Citizenship and civic participation	260,649	-	260,649
Housing	313,218	-	313,218
Total Program Services	885,691	-	885,691
Support Services:			
Management and general	122,001	-	122,001
Fundraising	72,826	-	72,826
Total Support Services	194,827	-	194,827
Total Expenses	1,080,518	-	1,080,518
CHANGE IN NET ASSETS	54,162	3,000	57,162
NET ASSETS, beginning of year	655,499	48,333	703,832
NET ASSETS, end of year	<u>\$ 709,661</u>	<u>\$ 51,333</u>	<u>\$ 760,994</u>

The accompanying notes are an integral part of these financial statements.

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018**

	Program Services				Support Services			Total
	Legal and Counseling	Citizenship and Civic Participation	Housing	Total Program Services	Management and General	Fundraising	Total Support Services	
Personnel Expenses								
Salaries	\$ 249,794	\$ 189,020	\$ 270,400	\$ 709,214	\$ 24,610	\$ 49,115	\$ 73,725	\$ 782,939
Benefits	23,212	17,564	25,126	65,902	2,287	4,564	6,851	72,753
Payroll tax	19,315	14,616	20,909	54,840	1,903	3,798	5,701	60,541
Total Personnel Expenses	292,321	221,200	316,435	829,956	28,800	57,477	86,277	916,233
General Expenses								
Administration and board meeting	442	773	654	1,869	2,900	235	3,135	5,004
Advertising	90	-	180	270	-	92	92	362
Bank charges	1,050	671	903	2,624	56	157	213	2,837
Consultants	1,737	7,509	882	10,128	104	187	291	10,419
Depreciation and amortization	9,031	6,716	5,789	21,536	695	928	1,623	23,159
Donations	266	210	1,634	2,110	73	244	317	2,427
Equipment	6,088	5,927	8,656	20,671	3,218	858	4,076	24,747
Food and entertainment	-	-	-	-	-	19,985	19,985	19,985
Insurance	3,882	1,649	2,293	7,824	144	428	572	8,396
Interest	5,729	5,729	4,762	16,220	-	-	-	16,220
Materials	4,513	14,950	3,814	23,277	403	14	417	23,694
Membership and subscription	3,446	2,005	3,142	8,593	675	1,298	1,973	10,566
Occupancy	10,856	10,611	8,305	29,772	691	531	1,222	30,994
Office supplies	1,856	2,011	2,178	6,045	305	322	627	6,672
Postage and shipping	7,803	769	407	8,979	136	971	1,107	10,086
Printing and publications	885	1,698	1,116	3,699	159	1,156	1,315	5,014
Professional fees	8,872	8,778	9,881	27,531	27,774	871	28,645	56,176
Repairs and maintenance	3,069	3,069	2,192	8,330	1,481	216	1,697	10,027
Telephone	2,929	3,397	3,319	9,645	406	576	982	10,627
Training and staff development	3,062	1,993	3,615	8,670	4,379	1,320	5,699	14,369
Travel	4,502	779	355	5,636	8,937	663	9,600	15,236
Total Expenses	<u>\$ 372,429</u>	<u>\$ 300,444</u>	<u>\$ 380,512</u>	<u>\$ 1,053,385</u>	<u>\$ 81,336</u>	<u>\$ 88,529</u>	<u>\$ 169,865</u>	<u>\$ 1,223,250</u>

The accompanying notes are an integral part of these financial statements.

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017**

	Program Services				Support Services			Total
	Legal and Counseling	Citizenship and Civic Participation	Housing	Total Program Services	Management and General	Fundraising	Total Support Services	
Personnel Expenses								
Salaries	\$ 208,988	\$ 165,220	\$ 206,669	\$ 580,877	\$ 51,065	\$ 27,393	\$ 78,458	\$ 659,335
Benefits	16,399	12,964	16,217	45,580	4,007	2,149	6,156	51,736
Payroll tax	15,979	12,633	15,802	44,414	3,904	2,094	5,998	50,412
Total Personnel Expenses	241,366	190,817	238,688	670,871	58,976	31,636	90,612	761,483
General Expenses								
Administration and board meeting	532	742	549	1,823	1,420	171	1,591	3,414
Advertising	360	180	90	630	-	90	90	720
Bank charges	1,135	941	1,232	3,308	65	216	281	3,589
Consultants	7,657	5,381	14,901	27,939	5,660	14,500	20,160	48,099
Depreciation and amortization	6,630	4,930	4,250	15,810	510	681	1,191	17,001
Donations	355	277	658	1,290	55	157	212	1,502
Equipment	9,954	8,557	9,326	27,837	1,088	1,015	2,103	29,940
Food and entertainment	-	-	-	-	-	19,180	19,180	19,180
Insurance	3,832	1,913	2,271	8,016	156	325	481	8,497
Interest	5,752	5,423	5,259	16,434	-	-	-	16,434
Materials	1,936	14,911	2,406	19,253	86	15	101	19,354
Membership and subscription	3,096	905	3,325	7,326	65	211	276	7,602
Miscellaneous	432	349	456	1,237	24	152	176	1,413
Occupancy	10,478	9,332	9,210	29,020	578	337	915	29,935
Office supplies	2,306	2,345	2,463	7,114	155	271	426	7,540
Postage and shipping	6,545	195	330	7,070	193	457	650	7,720
Printing and publications	917	592	5,221	6,730	765	1,139	1,904	8,634
Professional fees	14	14	12	40	49,073	-	49,073	49,113
Repairs and maintenance	5,365	5,294	3,696	14,355	583	372	955	15,310
Telephone	2,585	3,029	2,457	8,071	301	307	608	8,679
Training and staff development	163	4,041	5,785	9,989	1,018	1,452	2,470	12,459
Travel	414	481	633	1,528	1,230	142	1,372	2,900
Total Expenses	\$ 311,824	\$ 260,649	\$ 313,218	\$ 885,691	\$ 122,001	\$ 72,826	\$ 194,827	\$ 1,080,518

The accompanying notes are an integral part of these financial statements.

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (62,904)	\$ 57,162
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	23,159	17,001
(Increase) decrease in:		
Contracts receivable	(959)	(23,563)
Grants and contributions receivable	(18,768)	35,923
Prepaid expenses	(4,471)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	1,266	1,410
Deferred revenue	(8,750)	8,750
Net Cash (Used in) Provided by Operating Activities	(71,427)	96,683
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(22,050)	(23,984)
Net Cash Used in Investing Activities	(22,050)	(23,984)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on note payable	(19,780)	(13,566)
Net Cash Used in Financing Activities	(19,780)	(13,566)
NET CHANGE IN CASH	(113,257)	59,133
CASH, beginning of year	185,200	126,067
CASH, end of year	\$ 71,943	\$ 185,200
SUPPLEMENTAL DISCLOSURE		
Interest paid	\$ 16,220	\$ 16,434

The accompanying notes are an integral part of these financial statements.

**CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE A – ORGANIZATION AND PURPOSE

The Central American Resource Center (“CARECEN”) is a non-profit organization incorporated in the District of Columbia in 1982 for the purpose of providing direct services in immigration, housing and citizenship while also promoting empowerment, civil rights advocacy and civic training for the Latino community in the Washington metropolitan region.

CARECEN has the following three programs:

Legal and Counseling – Provides immigration legal counseling and assistance in completing a variety of immigration applications including family petitions, adjustment of status, work permits, consulate processing, asylum and citizenship.

Citizenship and Civic Participation – Community empowerment, leadership training and educational workshops are offered to eligible legal permanent residents and newly-naturalized citizens to educate them about language access, school systems, and citizen rights, including voter registration and civic engagement.

Housing – Provides technical assistance to tenants in forming tenant associations as well as comprehensive housing counseling, financial literacy and credit counseling, pre-purchase and foreclosure prevention counseling, as well as paralegal assistance in tenant/landlord issues.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements were prepared using the accrual basis of accounting. Therefore, revenue and related assets are recognized when earned and expenses and related liabilities are recognized as the obligations are incurred.

Adoption of New Accounting Pronouncement

For the year ended December 31, 2018, CARECEN adopted the Financial Accounting Standards Board’s Accounting Standards Update (ASU) No. 2016-14 – Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. This update addresses the complexity and understandability of net assets classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. The changes required by the update have been applied retrospectively to all periods presented. A key change required by ASU 2016-14 is the change to the net assets classes used in these consolidated financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

Financial statement presentation follows Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic *Not-for-Profit-Entities*. In accordance with the topic, CARECEN is required to report information regarding its financial position and activities according to two classes of net assets. Accordingly, the net assets of CARECEN and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met either by actions of CARECEN and/or the passage of time or that must be maintained permanently by CARECEN. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. CARECEN had \$16,500 and \$51,333 of net assets with donor restrictions as of December 31, 2018 and 2017.

Cash

CARECEN maintains its cash balances in demand deposits. The amount of deposited funds may, from time to time, exceed the federally insured limit. However CARECEN has not experienced any losses in such accounts and management believes that CARECEN is not exposed to any significant credit risk with respect to these amount.

Contracts, Grants, and Contributions Receivable

Contracts, grants, and contributions receivable are stated at the amount management expect to collect from balances outstanding at year end. Annually, management determines if an allowance for doubtful accounts is necessary based upon review of outstanding receivables, historical collection information, and existing economic conditions. Accounts deemed uncollectible are charged off based on specific circumstances of the parties involved. Management believes that all contracts, grants, and contributions receivable are collectible and will be received within one year. Therefore, no allowance for doubtful accounts has been established as of December 31, 2018 or 2017.

Property and Equipment

Property and equipment are recorded at cost, net of accumulated depreciation. CARECEN capitalizes all expenditures for property and equipment in excess of \$500. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are generally five years for furniture, equipment and software, and 40 years for buildings. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed from the accounts, and any remaining gain or loss is included in operations. Repairs and maintenance are charged to expense when incurred.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Grants and contributions are recognized when the unconditional grants or contributions have been awarded. Conditional promises to give are recognized only when the condition is substantially met and the promise becomes unconditional. Contributions with donor restrictions for which the restrictions are met in the year received are considered contributions without donor restrictions for financial statement purposes. All other donor-restricted support is reported as an increase in net assets with donor restrictions. 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 reported in the statements of activities as net assets released from donor restriction.

Contract revenue is recognized as the related services are provided. Revenue from program service fees is recognized when the service is provided. Event income is recognized at the time the event is held.

Method Used for Allocation of Expenses from Management and General Activities

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, office and occupancy, salaries and benefits, which are allocated on the basis of estimates of time.

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.

NOTE C – INCOME TAXES

CARECEN is recognized as a 501(c)(3) organization exempt from federal income tax under the provisions of Section 501(a) of the Internal Revenue Code, except on unrelated business activities.

CARECEN believes that it has appropriate support for any tax provisions taken, and as such, does not have any uncertain tax provisions that are material to the financial statements or that would have an effect on its tax-exempt status. There are no unrecognized tax benefits or liabilities that need to be recorded.

CARECEN's information returns are subject to examination by the Internal Revenue Service for a period of three years from the date they were filed, except under certain circumstances. CARECEN's form 990 information returns for the years ended December 31, 2015 through 2017 are open for a tax examination by the Internal Revenue Service, although no request has been made as of the date of these financial statements.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(continued)

NOTE D – AVAILABLE RESOURCES AND LIQUIDITY

CARECEN regularly monitors liquidity required to meet its operating needs and other commitments, while also striving to prudently invest available funds.

In addition to financial assets available to meet general expenditures over the next 12 months, CARECEN operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Refer to the statement of cash flows which identifies the sources and uses of CARECEN's cash.

The following reflects CARECEN's financial assets as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Cash	\$ 71,943	\$ 185,200
Receivables	133,328	138,101
Encumbered net assets with donor restrictions	<u>(16,500)</u>	<u>(51,333)</u>
Financial Assets Available to Meet		
Cash Needs for General Expenditures		
Within One Year	<u>\$ 188,771</u>	<u>\$ 271,968</u>

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment consists of the following as December 31:

	<u>2018</u>	<u>2017</u>
Land	\$ 250,769	\$ 250,769
Building	659,597	643,322
Furniture and equipment	57,498	51,723
Software	<u>3,976</u>	<u>3,976</u>
Total Property and Equipment	971,840	949,790
Less: Accumulated depreciation and amortization	<u>(255,577)</u>	<u>(232,418)</u>
Property and Equipment, Net	<u>\$ 716,263</u>	<u>\$ 717,372</u>

Depreciation and amortization expense for the years ended December 31, 2018 and 2017 totaled \$23,159 and \$17,001, respectively.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(continued)

NOTE F – COMMITMENTS AND CONTINGENCIES

CARECEN entered into a telephone system operating lease agreement beginning in September 2014 for a period of five years. According to the lease terms, lease payments of \$146 are due monthly.

In September 2015, CARECEN entered into a copier operating lease agreement beginning in October 2015 for a period of five years. According to the lease terms, lease payments of \$481 are due monthly.

The following is a schedule of future minimum lease payments required under the telephone system and copier lease as of December 31:

2019	\$	6,943
2020		4,329
Future Minimum Payments	\$	<u>11,272</u>

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following for the years ended December 31:

	2018	2017
Time restricted	\$ -	\$ 25,000
Youth program	10,000	-
Housing program	6,500	-
Capital upgrade	-	12,200
Fundraising	-	14,133
	<u>\$ 16,500</u>	<u>\$ 51,333</u>

NOTE H – RETIREMENT PLAN

CARECEN established the CARECEN DC 403(b) (the “Plan”) for all employees that was updated as of February 1, 2018. The Plan allows pre-tax salary deferrals based on Internal Revenue Service imposed limits each year. There is no minimum age or service requirement to make salary deferral payments to this Plan. However, the plan does require employees to complete one year of service before they can receive employer matching contributions. CARECEN’s contribution to this plan is discretionary. For the year ended December 31, 2018 and 2017, pension expense was \$7,622 and \$0 there were no employer contributions to this plan, respectively.

NOTE I – VOLUNTEER SERVICES

CARECEN receives volunteer services from various interns and other community volunteers to help with paralegal work and to conduct English as a second language (“ESL”) citizenship classes. The value of these services is not readily determinable and has not been recognized in these financial statements.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017
(continued)

NOTE J – NOTE PAYABLE

CARECEN is obligated on a note payable to Raza Development Fund. The note bears interest at 6.75% per annum and originally required interest only payments through September 2013.

In October 2015, CARECEN re-negotiated the term of the note and extended maturity for an additional 60 months at 6.25% per annum. The note currently requires principle and interest monthly payments of \$2,500 effective August 2016 through September 2021.

The following is a schedule of future payments required under the note as of December 31:

2019	\$ 15,348
2020	16,336
2021	<u>203,227</u>
Future Minimum Payments	<u><u>\$ 234,911</u></u>

NOTE K – SUBSEQUENT EVENTS

In preparing these financial statements, CARECEN's management has evaluated events and transactions for potential recognition or disclosure through June 19, 2019, the date the financial statements were available to be issued. There were no additional events or transactions that were discovered during the evaluation that required further recognition or disclosure.