



CENTRAL AMERICAN RESOURCE CENTER

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

DECEMBER 31, 2020 AND 2019

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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, 2020 and 2019, and 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, 2020 and 2019, 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.

Jane Marusa & McQuade PA

Washington, DC
June 21, 2021

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019**

	2020	2019
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 410,398	\$ 97,140
Contracts receivable	158,036	144,841
Grants and contributions receivable	62,127	47,574
Total Current Assets	630,561	289,555
PROPERTY AND EQUIPMENT, NET	692,069	698,009
TOTAL ASSETS	\$ 1,322,630	\$ 987,564
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 66,079	\$ 26,319
Grants payable	3,750	-
Deferred revenue	66,966	37,764
Notes payable, current portion	192,404	17,131
Total Current Liabilities	329,199	81,214
NON-CURRENT LIABILITIES		
Notes payable, net of current portion	156,900	196,454
Total Liabilities	486,099	277,668
NET ASSETS		
Without donor restrictions	836,531	661,878
With donor restrictions	-	48,018
Total Net Assets	836,531	709,896
TOTAL LIABILITIES AND NET ASSETS	\$ 1,322,630	\$ 987,564

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

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

	Without Donor restrictions	With Donor restrictions	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 523,523	\$ -	\$ 523,523
Government grants	829,805	-	829,805
Service fees	142,050	-	142,050
Other revenue	3,085	-	3,085
Net assets released from restrictions	48,018	(48,018)	-
Total Revenue and Support	<u>1,546,481</u>	<u>(48,018)</u>	<u>1,498,463</u>
EXPENSES			
Program Services:			
Legal and counseling	492,527	-	492,527
Citizenship and civic participation	125,186	-	125,186
Housing	614,066	-	614,066
Total Program Services	<u>1,231,779</u>	<u>-</u>	<u>1,231,779</u>
Support Services:			
Management and general	96,273	-	96,273
Fundraising	43,776	-	43,776
Total Support Services	<u>140,049</u>	<u>-</u>	<u>140,049</u>
Total Expenses	<u>1,371,828</u>	<u>-</u>	<u>1,371,828</u>
CHANGE IN NET ASSETS	174,653	(48,018)	126,635
NET ASSETS, beginning of year	<u>661,878</u>	<u>48,018</u>	<u>709,896</u>
NET ASSETS, end of year	<u>\$ 836,531</u>	<u>\$ -</u>	<u>\$ 836,531</u>

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

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

	Without Donor restrictions	With Donor restrictions	Total
REVENUE AND SUPPORT			
Grants and contributions	\$ 248,812	\$ 55,000	\$ 303,812
Government grants	576,263	-	576,263
Service fees	224,175	-	224,175
Annual events	46,377	-	46,377
Other revenue	6,225	-	6,225
Net assets released from restrictions	23,482	(23,482)	-
Total Revenue and Support	<u>1,125,334</u>	<u>31,518</u>	<u>1,156,852</u>
EXPENSES			
Program Services:			
Legal and counseling	398,990	-	398,990
Citizenship and civic participation	140,458	-	140,458
Housing	436,076	-	436,076
Total Program Services	<u>975,524</u>	<u>-</u>	<u>975,524</u>
Support Services:			
Management and general	108,236	-	108,236
Fundraising	61,286	-	61,286
Total Support Services	<u>169,522</u>	<u>-</u>	<u>169,522</u>
Total Expenses	<u>1,145,046</u>	<u>-</u>	<u>1,145,046</u>
CHANGE IN NET ASSETS	(19,712)	31,518	11,806
NET ASSETS, beginning of year	<u>681,590</u>	<u>16,500</u>	<u>698,090</u>
NET ASSETS, end of year	<u>\$ 661,878</u>	<u>\$ 48,018</u>	<u>\$ 709,896</u>

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

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2020**

	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	\$ 330,287	\$ 84,689	\$ 364,162	\$ 779,138	\$ 42,169	\$ 19,690	\$ 61,859	\$ 840,997
Benefits	27,160	6,964	29,946	64,070	3,952	1,619	5,571	69,641
Payroll tax	28,878	7,405	31,839	68,122	4,202	1,721	5,923	74,045
Total Personnel Expenses	386,325	99,058	425,947	911,330	50,323	23,030	73,353	984,683
General Expenses								
Administration and board meeting	-	-	-	-	23	-	23	23
Advertising	190	-	-	190	65	25	90	280
Bank charges	1,594	292	189	2,075	623	15	638	2,713
Consultants	7,780	700	85,209	93,689	3,010	14,969	17,979	111,668
Depreciation and amortization	11,138	2,856	12,280	26,274	1,621	664	2,285	28,559
Donations	270	112	417	799	369	15	384	1,183
Equipment	10,091	2,588	11,126	23,805	1,468	602	2,070	25,875
Grants	7,948	2,038	8,764	18,750	-	-	-	18,750
Insurance	3,494	634	1,841	5,969	364	246	610	6,579
Interest	3,766	4,475	4,030	12,271	595	-	595	12,866
Materials	15,685	4,021	17,294	37,000	2,282	936	3,218	40,218
Membership and subscription	5,839	1,497	6,438	13,774	850	349	1,199	14,973
Miscellaneous	-	-	-	-	947	-	947	947
Occupancy	12,182	3,124	13,431	28,737	1,773	725	2,498	31,235
Office supplies	8,143	283	6,136	14,562	663	-	663	15,225
Postage and shipping	4,114	-	358	4,472	246	-	246	4,718
Printing and publications	-	-	4,179	4,179	-	15	15	4,194
Professional fees	-	-	-	-	28,925	828	29,753	29,753
Repairs and maintenance	3,812	978	4,203	8,993	555	227	782	9,775
Telephone	6,496	2,138	9,538	18,172	1,477	1,130	2,607	20,779
Training and staff development	2,733	-	1,881	4,614	20	-	20	4,634
Travel	927	392	805	2,124	74	-	74	2,198
Total Expenses	\$ 492,527	\$ 125,186	\$ 614,066	\$ 1,231,779	\$ 96,273	\$ 43,776	\$ 140,049	\$ 1,371,828

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

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019**

	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	\$ 267,674	\$ 94,799	\$ 283,699	\$ 646,172	\$ 21,131	\$ 19,745	\$ 40,876	\$ 687,048
Benefits	19,482	7,450	23,143	50,075	9,351	1,415	10,766	60,841
Payroll tax	23,762	8,445	25,358	57,565	1,758	1,758	3,516	61,081
Total Personnel Expenses	310,918	110,694	332,200	753,812	32,240	22,918	55,158	808,970
General Expenses								
Administration and board meeting	143	302	200	645	3,368	918	4,286	4,931
Advertising	285	-	190	475	95	-	95	570
Bank charges	886	322	797	2,005	875	61	936	2,941
Consultants	8,432	831	22,127	31,390	2,354	9,053	11,407	42,797
Depreciation and amortization	10,152	3,644	10,673	24,469	781	781	1,562	26,031
Donations	429	151	1,530	2,110	118	259	377	2,487
Equipment	13,679	2,620	10,768	27,067	1,455	582	2,037	29,104
Food and entertainment	-	-	316	316	168	23,565	23,733	24,049
Insurance	4,517	780	3,459	8,756	154	156	310	9,066
Interest	4,773	4,602	4,298	13,673	175	170	345	14,018
Materials	8,923	2,326	4,548	15,797	1,382	29	1,411	17,208
Membership and subscription	3,894	425	2,113	6,432	129	104	233	6,665
Occupancy	10,111	8,673	13,053	31,837	1,185	670	1,855	33,692
Office supplies	2,178	451	3,034	5,663	746	397	1,143	6,806
Postage and shipping	6,189	-	456	6,645	563	366	929	7,574
Printing and publications	563	172	14,077	14,812	1,024	359	1,383	16,195
Professional fees	-	-	-	-	40,844	-	40,844	40,844
Repairs and maintenance	2,336	1,813	2,395	6,544	730	407	1,137	7,681
Telephone	3,889	2,445	4,506	10,840	278	272	550	11,390
Training and staff development	3,325	-	3,608	6,933	16,831	77	16,908	23,841
Travel	3,368	207	1,728	5,303	2,741	142	2,883	8,186
Total Expenses	\$ 398,990	\$ 140,458	\$ 436,076	\$ 975,524	\$ 108,236	\$ 61,286	\$ 169,522	\$ 1,145,046

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

**CENTRAL AMERICAN RESOURCE CENTER
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 126,635	\$ 11,806
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	28,559	26,031
(Increase) decrease in:		
Contracts receivable	(13,195)	(13,231)
Grants and contributions receivable	(14,553)	(21,356)
Prepaid expenses	-	4,471
Increase in:		
Accounts payable and accrued expenses	39,760	8,815
Grants	3,750	-
Deferred revenue	29,202	37,764
Net Cash Provided by Operating Activities	200,158	54,300
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(22,619)	(7,777)
Net Cash Used for Investing Activities	(22,619)	(7,777)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable	156,900	-
Payments on notes payable	(21,181)	(21,326)
Net Cash Provided by (Used for) Financing Activities	135,719	(21,326)
NET CHANGE IN CASH	313,258	25,197
CASH, beginning of year	97,140	71,943
CASH, end of year	\$ 410,398	\$ 97,140
SUPPLEMENTAL DISCLOSURE		
Interest paid	\$ 12,866	\$ 14,018

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

**CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

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. The activities of CARECEN are funded by government and private grants and contributions, and service fees.

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.

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 in perpetuity by CARECEN. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash

For purposes of the statements of cash flows, CARECEN considers all highly liquid funds including interest bearing savings accounts to be cash equivalents. Cash in non-interest bearing accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. At times, the accounts may exceed this limit; however, CARECEN believes it is not exposed to any significant credit risk on cash or cash equivalents.

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, 2020 or 2019.

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.

Revenue Recognition

Grants and Contributions

CARECEN recognizes grants and contributions when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Contributions received with donor stipulations are recorded as contributions with donor restrictions based on the donor's intent. Unless otherwise stated by the donor, individual donations are recorded as contributions without donor restrictions. Contributions with donor restrictions that are met in the same reporting period as the contribution is received are reported as contributions without donor restrictions support.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Government Grants

Revenues are primarily received either directly or indirectly from federal government agencies. These revenues are considered conditional grants with a measurable performance or other barrier and a right of return, and are not recognized until the conditions on which they depend have been substantially met. These grants are also subject to audit by the grantor agencies, which could result in a request for reimbursement by the agency for expenditures disallowed under the terms and conditions of the appropriate grantor. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statements of financial position.

Services Fees

Service fees is revenue primarily derived from legal services provided by CARECEN (e.g., consultations, cases, immigration, citizenship classes, etc.), which is recognized at a point of time when the services are provided.

Deferred Revenue

Deferred revenue also includes conditional grants in which CARECEN received advance payments prior to the satisfaction of the terms and conditions outlined in the grant agreements.

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 and amortization, office and occupancy, salaries and benefits, which are allocated on the basis of estimates of time and effort expended.

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.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019
(continued)

NOTE C – INCOME TAXES (continued)

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, 2017 through 2019 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.

NOTE D – AVAILABLE RESOURCES AND LIQUIDITY

CARECEN’s management regularly monitors liquidity requirements to ensure that ongoing operating needs and other contractual commitments are met. Timing of revenue receipts also ensures the availability of necessary operational funds. Sources of liquidity available to CARECEN include financial assets consisting of cash, and contracts, grants and contributions receivable.

In determining the adequacy of liquidity sources to cover general operating expenditures over a 12-month period, CARECEN considers all expenditures related to its ongoing program activities as well as services undertaken to support those programs, to be general operating expenditures.

The following reflects CARECEN’s financial assets as of December 31,

	2020	2019
Cash	\$ 410,398	\$ 97,140
Contracts receivable	158,036	144,841
Grants and contributions receivable	62,127	47,574
Total Financial Assets	630,561	289,555
Less: Net assets with donor restrictions	-	(48,018)
Total Financial Assets Available to Meet		
Cash Needs for General Expenditures		
Within One Year	\$ 630,561	\$ 241,537

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment consists of the following as December 31:

	2020	2019
Land	\$ 250,769	\$ 250,769
Building	659,597	659,597
Furniture and equipment	87,894	65,275
Software	3,976	3,976
Total Property and Equipment	1,002,236	979,617
Less: Accumulated depreciation and amortization	(310,167)	(281,608)
Property and Equipment, Net	\$ 692,069	\$ 698,009

Depreciation and amortization expense for the years ended December 31, 2020 and 2019 totaled \$28,559 and \$26,031, respectively.

CENTRAL AMERICAN RESOURCE CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019
(continued)

NOTE F – COMMITMENTS AND CONTINGENCIES

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.

In November 2019, CARECEN entered into a telephone system operating lease agreement for a period of five years. The monthly lease payment is \$168.

In August 2020, CARECEN leased a copier for a period of five years. The monthly lease payment required under the lease is \$503.

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

2021	\$	8,052
2022		8,052
2023		8,052
2024		7,884
2025		1,848
Total		\$ 33,888

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

Net assets totaling \$0 and \$48,018 was restricted by donor for fellowship program as of at December 31, 2020 and 2019, respectively.

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 years ended December 31, 2020 and 2019, pension expense totaled \$5,119 and \$7,822.

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, 2020 AND 2019
(continued)

NOTE J – NOTES PAYABLE

In 2015, CARECEN secured a loan from Raza Development Fund for \$300,000. The note bears interest at 6.25% per annum. The note is secured by a lien on CARECEN's office space. The note currently requires principal and interest monthly payments of \$2,500 effective August 2016 through September 2021 balance due in September 2021. The balance under the note as of December 31, 2021 is \$192,404.

On May 20, 2020, CARECEN secured a loan of \$156,900 with PNC Bank National Association, (the "Lender") under the Small Business Administration's ("SBA") Paycheck Protection Plan ("PPP") that authorized forgivable loans to small businesses. This loan can be used to cover certain expenses during the COVID-19 crisis. The loan amounts may be forgiven as long as the loan proceeds are used to cover payroll costs, rent, certain mortgage interest and utility costs over a period specified in the loan document after the loan is made. If not used for the purpose above and if the SBA does not confirm forgiveness of the loan, CARECEN will be obligated to repay the Lender the total outstanding balance in terms with a separate agreement provided by the Lender and the entire loan is due on May 19, 2022 along with interest calculated at the rate of 1% per annum CARECEN's management believes it will meet the requirements to achieve loan forgiveness. The PPP loan balance for the year ended December 31, 2020, totaled \$156,900.

NOTE K – SUBSEQUENT EVENTS

In preparing these financial statements, CARECEN's management has evaluated events and transactions for potential recognition or disclosure through June 21, 2021, 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.