

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**

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**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT**

**Year Ended June 30, 2024**  
**(With Summarized Totals as of June 30, 2023)**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
A C C A, Inc.  
(Annandale Christian Community for Action)

### ***Opinion***

We have audited the accompanying financial statements of A C C A, Inc. (Annandale Christian Community for Action) (ACCA) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of A C C A, Inc. (Annandale Christian Community for Action) as of June 30, 2023, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***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 A C C A, Inc. (Annandale Christian Community for Action) 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 opinion.

### ***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.

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 A C C A, Inc. (Annandale Christian Community for Action'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 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 generally accepted auditing standards 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 generally accepted auditing standards, we:

- Exercise professional judgment 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 A C C A, Inc. (Annandale Christian Community for Action)'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 A C C A, Inc. (Annandale Christian Community for Action)'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.

### ***Report on Summarized Comparative Information***

We have previously audited A C C A, Inc. (Annandale Christian Community for Action)'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 22, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bethesda, Maryland  
February 7, 2025

The image shows a handwritten signature in black ink that reads "Rubins & Company". The signature is written in a cursive, flowing style. The word "Rubins" is written in a larger, more prominent script, followed by "&" and "Company".

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2024**  
**(WITH SUMMARIZED TOTALS AS OF JUNE 30, 2023)**

	2024			2023
	Child Development Center	Human Service Ministries	Total	Summarized Total All Funds
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 1,516,341	\$ 745,714	\$ 2,262,055	\$ 2,381,335
Accounts receivable	462,833	-	462,833	585,622
Inventory	-	56,321	56,321	26,178
Prepaid expenses	50,594	-	50,594	73,461
Total current assets	<u>2,029,768</u>	<u>802,035</u>	<u>2,831,803</u>	<u>3,066,596</u>
INVESTMENTS	-	59,943	59,943	56,932
NOTES RECEIVABLE	-	12,558	12,558	15,117
PROPERTY AND EQUIPMENT, NET	249,034	-	249,034	277,196
LEASEHOLD IMPROVEMENTS, NET	<u>100,680</u>	<u>-</u>	<u>100,680</u>	<u>113,459</u>
Total assets	<u>\$ 2,379,482</u>	<u>\$ 874,536</u>	<u>\$ 3,254,018</u>	<u>\$ 3,529,300</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 36,626	\$ -	\$ 36,626	65,436
Accrued expenses	187,381	-	187,381	171,606
Deferred revenue	72,934	334,868	407,802	44,024
Coronavirus Relief Fund Advances	-	-	-	420,500
Escrow payable	-	4,124	4,124	7,999
Total current liabilities	<u>296,941</u>	<u>338,992</u>	<u>635,933</u>	<u>709,565</u>
<b>NET ASSETS</b>				
Without donor restrictions:				
Undesignated	2,082,541	195,128	2,277,669	2,479,319
Designated by Board	<u>-</u>	<u>317,038</u>	<u>317,038</u>	<u>317,038</u>
Total without donor restrictions	2,082,541	512,166	2,594,707	2,796,357
With donor restrictions	<u>-</u>	<u>23,378</u>	<u>23,378</u>	<u>23,378</u>
Total net assets	<u>2,082,541</u>	<u>535,544</u>	<u>2,618,085</u>	<u>2,819,735</u>
Total liabilities and net assets	<u>\$ 2,379,482</u>	<u>\$ 874,536</u>	<u>\$ 3,254,018</u>	<u>\$ 3,529,300</u>

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

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**STATEMENT OF ACTIVITIES**  
**Year Ended June 30, 2024**  
**(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024				2023
	Without Donor Restrictions		With Donor Restrictions		Summarized
	Child Development Center	Human Service Ministries	Human Service Ministries	Total	Total
<b>REVENUE AND OTHER SUPPORT</b>					
Tuition					
Parent fees	\$ 708,340	\$ -	\$ -	\$ 708,340	\$ 570,097
Parental subsidy - Government	3,387,237	-	-	3,387,237	3,362,162
Contributions					
Churches	-	133,250	-	133,250	129,574
Individual	13,383	294,061	-	307,444	315,206
Organizations	1,000	55,565	-	56,565	39,751
Grants					
Fairfax County QAP	20,300	-	-	20,300	18,175
Virginia Preschool Initiative	66,795	-	-	66,795	62,057
Fairfax County CCFP	-	54,740	-	54,740	-
Coronavirus Relief Funds	-	241,664	-	241,664	135,976
Emergency Food & Shelter Program	-	145,232	-	145,232	467,057
United States Department of Agriculture	203,625	-	-	203,625	198,096
Other Organizations and Businesses	389,280	-	-	389,280	496,503
In-kind support	596,568	183,994	-	780,562	731,267
Other revenue	22,093	-	-	22,093	4,611
Net assets released from restrictions	-	-	-	-	-
Total revenue and other support	<u>5,408,621</u>	<u>1,108,506</u>	<u>-</u>	<u>6,517,127</u>	<u>6,530,532</u>
<b>EXPENSES</b>					
Program services	4,794,868	1,049,892	-	5,844,760	5,695,444
Management and general	846,153	70,960	-	917,113	803,761
Total expenses	<u>5,641,021</u>	<u>1,120,852</u>	<u>-</u>	<u>6,761,873</u>	<u>6,499,205</u>
<b>NON-OPERATING ACTIVITY</b>					
Investment income	39,265	3,831	-	43,096	1,624
<b>CHANGE IN NET ASSETS</b>	(193,135)	(8,515)	-	(201,650)	32,951
Net assets, beginning of year	2,227,676	568,681	23,378	2,819,735	2,786,784
Transfers, net	48,000	(48,000)	-	-	-
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 2,082,541</u>	<u>\$ 512,166</u>	<u>\$ 23,378</u>	<u>\$ 2,618,085</u>	<u>\$ 2,819,735</u>

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

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2024**  
**(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024						2023	
	Program Services			Management and General			Summarized	
	Child	Human	Total Program	Child	Human	Total	Total	Total All Funds
	Development	Service		Development	Service	Management		
Center	Ministries	Services	Center	Ministries	and General			
Salaries	\$ 2,714,137	\$ -	\$ 2,714,137	\$ 478,965	\$ -	\$ 478,965	\$ 3,193,102	\$ 2,901,237
Payroll and other taxes	192,426	-	192,426	33,958	-	33,958	226,384	214,725
Employee benefits	404,448	-	404,448	71,373	-	71,373	475,821	404,051
Food	284,305	-	284,305	50,171	-	50,171	334,476	328,899
Bank and services charges	99	-	99	18	304	322	421	400
Materials, equipment and supplies	100,182	-	100,182	17,679	652	18,331	118,513	153,586
Repairs and maintenance	64,775	-	64,775	11,431	-	11,431	76,206	92,304
Rent and custodial	66,475	-	66,475	11,731	-	11,731	78,206	84,945
Insurance	14,824	-	14,824	2,616	3,126	5,742	20,566	18,499
Contracted services	66,178	-	66,178	11,678	-	11,678	77,856	31,001
Professional development	42,237	-	42,237	7,454	-	7,454	49,691	45,787
Temporary help	-	-	-	-	-	-	-	225
Professional services	-	-	-	-	43,661	43,661	43,661	960
Dues and registration	14,107	-	14,107	2,489	-	2,489	16,596	13,336
Telephone and postage	27,657	-	27,657	4,881	1,242	6,123	33,780	14,047
Printing and equipment rental	20,720	-	20,720	3,656	509	4,165	24,885	30,781
Legal and accounting	24,015	-	24,015	4,238	20,000	24,238	48,253	47,372
Travel	12,530	-	12,530	2,211	1,466	3,677	16,207	7,663
Scholarship	20,352	-	20,352	3,592	-	3,592	23,944	18,466
In-kind support	507,083	-	507,083	89,485	-	89,485	596,568	551,540
Depreciation	93,322	-	93,322	16,469	-	16,469	109,791	104,714
VPI expense	56,776	-	56,776	10,019	-	10,019	66,795	62,057
Miscellaneous	68,220	-	68,220	12,039	-	12,039	80,259	59,501
Assistance to individuals :								
Family emergency	-	745,933	745,933	-	-	-	745,933	978,695
Housing	-	9,000	9,000	-	-	-	9,000	9,000
Immigrant services	-	5,000	5,000	-	-	-	5,000	5,000
Furniture	-	40,861	40,861	-	-	-	40,861	47,503
Food and nutrition	-	213,563	213,563	-	-	-	213,563	241,088
Scholarship	-	18,000	18,000	-	-	-	18,000	16,000
Sheperd Center	-	3,000	3,000	-	-	-	3,000	3,000
Neighbor 2 Neighbor	-	14,535	14,535	-	-	-	14,535	12,825
<b>Total expenses</b>	<b>\$ 4,794,868</b>	<b>\$ 1,049,892</b>	<b>\$ 5,844,760</b>	<b>\$ 846,153</b>	<b>\$ 70,960</b>	<b>\$ 917,113</b>	<b>\$ 6,761,873</b>	<b>\$ 6,499,207</b>

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

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2023)**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts		
Tuition fees and subsidies	\$ 4,247,276	\$ 3,958,755
Contributions	497,259	484,531
Grants	1,036,004	1,465,775
Investment income	43,096	1,624
Other revenue	22,093	4,611
Total receipts	5,845,728	5,915,296
Disbursements	5,916,832	5,804,865
Net cash (used) provided by operating activities	(71,104)	110,431
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(43,849)	(57,144)
Sales/maturities of investments	(3,011)	40
Net cash used by investing activities	(46,860)	(57,104)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments received on note	2,559	2,637
Escrow payable/receivable	(3,875)	250
Net cash (used) provided by financing activities	(1,316)	2,887
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(119,280)	56,214
Cash and cash equivalents, beginning of year	2,381,335	2,325,121
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 2,262,055	\$ 2,381,335

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



**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended June 30, 2024**  
**(With Summarized Totals for the Year Ended June 30, 2023)**

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**1. Organization**

A C C A, Inc. (Annandale Christian Community for Action) (ACCA) is a nonprofit corporation organized in 1967 under the laws of the Commonwealth of Virginia to promote and sponsor Christian social action in the Annandale, VA area. ACCA is governed by a Board of Directors (Board) consisting of the corporation's officers and representatives from area member churches. ACCA operates the Child Development Center, with paid staff, to provide day care and early childhood education for its infant, toddler, and preschool children from primarily low-income families. ACCA also operates the all-volunteer Human Services Ministries to provide financial assistance for needy family emergencies, food and furniture deliveries, housing renovations, and scholarships in accordance with Board-approved budgets, policies, and procedures. ACCA is supported by contributions from individuals, Annandale area churches, and private foundations; subsidies and in-kind contributions from Fairfax County, VA; and federal and state grants.

**2. Summary of Significant Accounting Policies**

**Basis of Presentation**

ACCA prepares its financial statements on the accrual basis of accounting. Revenue is recognized when earned and expenses when the obligations are incurred.

**Income Tax Status**

ACCA is exempt from the payment of federal income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined that ACCA is not a private foundation.

ACCA has adopted the guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The adoption of this standard had no impact on ACCA's financial statements. ACCA files as a tax-exempt organization and is not aware of any activities that would jeopardize its tax-exempt status.

**Comparative Financial Information**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with ACCA's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended June 30, 2024**  
**(With Summarized Totals for the Year Ended June 30, 2023)**

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**2. Summary of Significant Accounting Policies (continued)**

**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 certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reported period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents consist primarily of interest-bearing checking accounts, saving accounts, and money market accounts. Cash equivalents have a maturity of three months or less when purchased.

**Accounts Receivable**

Tuition fees receivable from parents are considered past due if payments are not received within 30 days of the invoice date. ACCA currently does not charge any interest or finance charges for past due invoices. The provision for credit losses is based on management's evaluation of the collectability of existing receivables. Government receivables are primarily due from Fairfax County for the tuition subsidy and recorded when earned.

**Inventory**

Inventory consists mainly of donated food and is recorded using estimated fair value when received.

**Investments**

Investments are recorded at fair value.

**Fair Value Hierarchy**

ACCA has categorized its financial instruments, based on the priority of the inputs on to the valuation techniques, into a three-level fair hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level inputs that is significant to the fair value measurement of the instrument.

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended June 30, 2024**  
**(With Summarized Totals for the Year Ended June 30, 2023)**

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**2. Summary of Significant Accounting Policies (continued)**

Financial assets and liabilities recorded on the statements of financial position are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that ACCA has the ability to access. These include investments that are recorded at fair value on a recurring basis and fair value measurement is based upon quoted prices, if available. Securities valued using Level 1 inputs include traded on active exchanges (such as the New York Stock Exchange), as well as U.S Treasury and other exchange traded securities.

*Level 2* – Financial assets and liability whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

*Level 3* – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management’s own assumptions about the assumptions a market participant would use in pricing the asset or liability.

**Property and Equipment**

Property and equipment is stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the property and equipment which ranges from 5 to 15 years. ACCA capitalizes items with an original purchase price, or fair market value at the time of donation, of at least \$500 for the years ended June 30, 2024 and 2023, and a useful life of more than one year. Maintenance and repairs are expensed as incurred.

**Net Assets**

Net asset and changes therein are classified into the following categories:

**Without Donor Restrictions**

Undesignated – represents funds available for general operations.

Designated by Board – represent funds designated by Board of directors for specific purposes.

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended June 30, 2024**  
**(With Summarized Totals for the Year Ended June 30, 2023)**

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**2. Summary of Significant Accounting Policies (continued)**

**Net Assets (continued)**

*With Donor Restrictions*

Represents resources received by ACCA that are specifically time-restricted or restricted by donors for various programs.

Donor restricted contributions received supporting future years 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.

**Revenue Recognition**

Contributions from area churches, individuals, and organizations are recorded when received. Contributions with donor-imposed restrictions are reported as with donor restrictions support except for donor-restricted contributions are met in the same reporting period are reported as without donor restrictions support. When the donor restriction expires, that is, when a stipulated time restriction ends or purpose is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Tuition revenue is recognized when earned (point over time). Parent fees are billed weekly for childcare based on a sliding scale of family income (point over time). Parental tuition subsidies from Fairfax County are recorded based on children's attendance for eligible parents (point over time). Any amount received in advance of services is recorded as deferred revenue.

**Gifts in Kind**

ACCA recognizes in-kind support only if professional services received (a) create or enhance long-lived assets or (b) require specialized skills, provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Most services received by ACCA do not meet these criteria. Contributions of tangible assets are recognized at fair market value when received. The amounts reflected in the accompanying financial statements as in-kind support are offset by like amounts included in expenses or assets.

Rent and utilities is estimated based on a comparable rental market analysis prepared by a real estate professional who operates in the market areas of the properties. Donated food is estimated based on the national average prices for pounds of food. Donated furniture is estimated based on the current Valuation Guide for Goodwill Donors.

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended June 30, 2024**  
**(With Summarized Totals for the Year Ended June 30, 2023)**

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**2. Summary of Significant Accounting Policies (continued)**

**Functional Allocation of Expenses**

The costs of providing various programs and supporting activities have been summarized on a functional basis in the financial statements. Expenses are allocated among the programs and supporting services based on the functions they directly benefit or upon management's estimates of the proportion of the expenses applicable to each function. General and administrative expenses have been allocated to the programs and supporting services proportionately based on direct personnel costs.

**Interfund Transfers**

The Human Services Ministries shares donations with the Child Development Center through the annual budget process. These amounts are treated as interfund transfers and are eliminated in the financial statements. Total support from the Human Service Ministries to the Child Development Center was \$48,000 and \$24,000 for the years ended June 30, 2024 and 2023, respectively.

**Measure of Operations**

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing services. Non-operating activities are limited to resources that generate return from other activities considered to be of a more unusual or nonrecurring nature. All activities for the years ended June 30, 2024 and 2023, were operating in nature.

**Subsequent Events**

In preparing these financial statements, ACCA has evaluated events and transactions for potential recognition or disclosure through February 7, 2025, the date the financial statements were available to be issued.

**3. Concentrations of Risk**

**Credit Risk**

Financial instruments which subject ACCA to a concentration of credit risk consist of demand deposits placed with financial institutions. At times during the year, ACCA had funds invested with local financial institutions in excess of the Federal Deposit Insurance Corporation limits.

**Market Value Risk**

ACCA invests in diversified investments. These investments are exposed to various risks, such as fluctuations in market value and credit risk. It is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

**A C C A, INC.**  
**(ANNANDALE CHRISTIAN COMMUNITY FOR ACTION)**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended June 30, 2024**  
**(With Summarized Totals for the Year Ended June 30, 2023)**

**4. Liquidity and Availability**

ACCA routinely monitors liquidity for operations in accordance with its financial policies. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, are made up as noted below with the amount restricted for the Legacy Fund. Although the Board does not intend to spend from its Legacy Fund other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation, amounts from the Legacy Fund could be made available if necessary.

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,262,055	\$ 2,381,335
Accounts receivable	462,833	585,622
Investments	<u>59,943</u>	<u>56,932</u>
Total	2,784,831	3,023,889
Less: net assets with donor restrictions	(23,378)	(23,378)
Less: board designated legacy fund assets	<u>(317,038)</u>	<u>(317,038)</u>
Total	<u>\$ 2,444,415</u>	<u>\$ 2,683,473</u>

**5. Accounts Receivable**

A summary of amounts included in accounts receivable at June 30, 2024 and 2023, is as follows:

	<u>2024</u>	<u>2023</u>
Parental subsidy - Fairfax County	\$ 204,112	\$ 264,780
United States Department of Agriculture	37,326	52,719
Passthrough grants	199,195	225,716
Other	<u>22,200</u>	<u>42,407</u>
Total accounts receivable	<u>\$ 462,833</u>	<u>\$ 585,622</u>

There was no allowance for credit losses as of June 30, 2024 and 2023.

**6. Inventory**

Inventory consists of the following at June 30:

	<u>2024</u>	<u>2023</u>
Food	\$ 51,341	\$ 21,106
Furniture	<u>4,980</u>	<u>5,072</u>
Total inventory	<u>\$ 56,321</u>	<u>\$ 26,178</u>

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**7. Investments**

Investments consist of the following at June 30:

	2024	2023
Money market fund	\$ 59,943	\$ 56,932
Total investments	\$ 59,943	\$ 56,932

Investment (loss) income for the years ended June 30, 2024 and 2023, is comprised of the following:

	2024	2023
Interest and dividends from investments	\$ 42,327	\$ 629
Interest from note receivable	769	995
Total investment income	\$ 43,096	\$ 1,624

**8. Fair Value Measurements**

The following table presents ACCA's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30, 2023 and 2022:

	June 30, 2024			
	Total	Level 1	Level 2	Level 3
Investments				
Money market fund	\$ 59,943	\$ 59,943	\$ -	\$ -
Total	\$ 59,943	\$ 59,943	\$ -	\$ -
	June 30, 2023			
	Total	Level 1	Level 2	Level 3
Investments				
Money market fund	\$ 56,932	\$ 56,932	\$ -	\$ -
Total	\$ 56,932	\$ 56,932	\$ -	\$ -

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**9. Property and Equipment**

A summary of property and equipment at June 30, 2023, is as follows:

	June 30, 2024			
	Cost	Accumulated depreciation	Net cost	Depreciation expense
Child Development Center				
Equipment and furniture	\$ 862,011	\$ 612,977	\$ 249,034	\$ 97,012
Leasehold improvements	127,785	27,105	100,680	12,778
Human Service Ministries				
Vehicles	<u>11,271</u>	<u>11,271</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,001,067</u>	<u>\$ 651,353</u>	<u>\$ 349,714</u>	<u>\$ 109,790</u>
	June 30, 2023			
	Cost	Accumulated depreciation	Net cost	Depreciation expense
Child Development Center				
Equipment and furniture	\$ 793,162	\$ 515,966	\$ 277,196	\$ 92,741
Leasehold Improvements	127,785	14,326	113,459	11,973
Human Service Ministries				
Vehicles	<u>36,271</u>	<u>36,271</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 957,218</u>	<u>\$ 566,563</u>	<u>\$ 390,655</u>	<u>\$ 104,714</u>

**10. Coronavirus Aid, Relief, and Economic Security (CARES) Act**

In May 2020, ACCA received \$3,120,000 from the CARES Act Direct Assistance Supplementary Fund Program. The contract with Fairfax County Virginia provides up to \$2,945,516 of direct assistance payments with the remainder covering administrative costs of ACCA. Revenue is recognized as assistance payments are made as directed by the County. At June 30, 2024, approximately \$73,000, of deferred revenue remained.



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**11. Net Assets Without Donor Restrictions Designated by Board**

The Board of Directors formed the Legacy Fund to designate certain contributions to benefit the poor of the community through programs and services deemed appropriate by ACCA. These funds will be used for Board-approved projects over a 10-year period.

Activities of the Legacy Fund at June 30, 2024 and 2023, consisted of the following:

	2024	2023
Balance - beginning of year	\$ 317,038	\$ 398,959
Support approved	-	(81,921)
Balance - end of year	\$ 317,038	\$ 317,038

**12. Net Assets With Donor Restrictions**

Net assets with donor restrictions at June 30, 2024 and 2023, consisted of funds for the following purposes:

	June 30, 2023	Additions	Releases	June 30, 2024
Scholarship - Ruffing	\$ 9,946	\$ -	\$ -	\$ 9,946
Furniture - Crib Fund	9,298	-	-	9,298
Furniture - Fuel	2,534	-	-	2,534
Infrastructure	1,600	-	-	1,600
Total	\$ 23,378	\$ -	\$ -	\$ 23,378

  

	June 30, 2022	Additions	Releases	June 30, 2023
Scholarship - Ruffing	\$ 9,696	\$ 250	\$ -	\$ 9,946
Rebuilding Together	1,226	-	(1,226)	-
Nutrition and Hygiene	28,151	-	(28,151)	-
Furniture - Crib Fund	9,298	-	-	9,298
Furniture - Fuel	2,534	-	-	2,534
Infrastructure	1,600	-	-	1,600
Total	\$ 52,505	\$ 250	\$ (29,377)	\$ 23,378

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**13. In-Kind Support**

ACCA receives various types of in-kind support, including facilities, food, furniture, and professional services. A summary of in-kind support received by type for the years ended June 30, 2024 and 2023, is as follows:

	2024	2023
Rent and utilities	\$ 596,568	\$ 551,540
Donated food	172,408	166,017
Donated furniture	5,586	7,710
Donated other	6,000	6,000
Total	\$ 780,562	\$ 731,267

**14. Pension Plan**

ACCA has a 403(b) plan agreement which is available for employees who are 18 or older, and have worked greater than 1,000 hours or one year of service. The plan allows for a discretionary employer match. Retirement plan expense for the years ended June 30, 2024 and 2023, is for \$21,993 and \$22,051, respectively.

**15. Leased Facilities**

The Child Development Center operates at 7200 Columbia Pike, Annandale, Virginia. The preschool day care activities are housed in a former elementary school where approximately 11,500 square feet of space is leased from Fairfax County for rental of \$627 per month, including all utilities. The lease agreement executed August 26, 1980, does not specify any fixed terms but provides that the County Board of Supervisors may adjust all terms and conditions of the lease upon 120 days written notice. The infant and toddler day care, consisting of approximately 6,000 square feet of space which ACCA began leasing from Fairfax County on October 1, 1991. The lease provides for free rent and utilities and for automatic renewal on a yearly basis unless 90 days written notice is given by either party. ACCA's total rent and custodial expense was \$693,648 and \$637,316 for the years ended June 30, 2024 and 2023, respectively.

The fair value of free rent component has been recorded in the accompanying financial statements as in-kind support and in-kind expense, estimated at \$21 and \$20 square foot per year for the years ended June 30, 2024 and 2023, respectively, less the actual amount of rent and custodial expenses paid by ACCA.

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**16. Economic Dependency and Concentration of Revenue**

The operation of ACCA is dependent to a significant extent on continuing contributions from area churches and by future funding from Fairfax County and the United States Department of Agriculture. ACCA received 52% and 51% of total revenue directly from Fairfax County for parental tuition subsidies for the years ended June 30, 2024 and 2023, respectively. ACCA also received 9% and 8% of total revenue directly from Fairfax County for in-kind rent and utilities for the years ended June 30, 2024 and 2023, respectively.