

ELK RIVER HELPING HANDS

**FINANCIAL STATEMENTS – MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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**ELK RIVER HELPING HANDS
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FOR THE YEAR ENDED DECEMBER 31, 2024**

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of
Elk River Helping Hands
Banner Elk, NC

We have reviewed the accompanying financial statements of Elk River Helping Hands (a nonprofit organization), which comprise the statement of financial position-modified cash basis as of December 31, 2024 and the related statements of activities-modified-cash basis, functions expenses-modified-cash basis and cash flows-modified cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

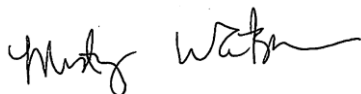
We are required to be independent of Elk River Helping Hands and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

I draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.



Boone, NC
October 27, 2025

ELK RIVER HELPING HANDS
STATEMENT OF FINANCIAL POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2024

ASSETS

Current Assets:

Cash and cash equivalents	\$ 911,981
Investments	402,902
Total current assets	<u>1,314,883</u>
TOTAL ASSETS	<u><u>\$ 1,314,883</u></u>

LIABILITIES AND NET ASSETS

Net Assets:

Without donor restrictions	1,314,883
With donor restrictions	<u>-</u>
Total net assets	<u>1,314,883</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,314,883</u></u>

The accompanying notes are an integral part of this statement

ELK RIVER HELPING HANDS
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Contributions	\$ 1,252,214	425,082	1,677,296
Contributions - noncash	151,585	-	151,585
Net assets released from restrictions:			
Satisfaction of program restrictions	425,412	(425,412)	-
	<hr/>	<hr/>	<hr/>
Total Support and Revenue	1,829,211	(330)	1,828,881
	<hr/>	<hr/>	<hr/>
Expenses:			
Program services	484,362	-	484,362
Management and general expenses	31,057	-	31,057
	<hr/>	<hr/>	<hr/>
Total Expenses	515,419	-	515,419
	<hr/>	<hr/>	<hr/>
Other Income (Expenses):			
Realized and unrealized gain (loss) on investments	1,091	330	1,421
	<hr/>	<hr/>	<hr/>
Total Other Income (Expenses)	1,091	330	1,421
	<hr/>	<hr/>	<hr/>
Change in Net Assets	1,314,883	-	1,314,883
Net Assets, beginning of year	-	-	-
	<hr/>	<hr/>	<hr/>
Net Assets, end of year	\$ 1,314,883	-	1,314,883
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of this statement

**ELK RIVER HELPING HANDS
STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Supporting Services</u>			<u>Total Expenses</u>
	<u>Program Expenses</u>	<u>Management & General Expenses</u>	<u>Total Supporting Services</u>	
FUNCTIONAL EXPENSES				
Bank service charges	\$ -	24,564	24,564	24,564
Disaster relief distribution	453,350	-	-	453,350
Dues and subscriptions	-	949	949	949
Grants	31,012	-	-	31,012
Legal and professional fees	-	5,474	5,474	5,474
Office expense	-	70	70	70
TOTAL FUNCTIONAL EXPENSES	<u>\$ 484,362</u>	<u>31,057</u>	<u>31,057</u>	<u>515,419</u>

The accompanying notes are an integral part of this statement

ELK RIVER HELPING HANDS
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
For the Year Ended December 31, 2024

CASH FLOWS FOR OPERATING ACTIVITIES:

Change in net assets	\$	1,314,883
Adjustments to reconcile "change in net assets" to net cash provided by (used for) operating activities:		
Net realized and unrealized (gain) loss on investments		(1,317)
Donated stock		(151,585)
		1,161,981
Net cash provided by (used for) operating activities		1,161,981

CASH FLOWS FOR INVESTING ACTIVITIES:

Purchase of investments		(478,830)
Sale of investments		228,830
		(250,000)
Net cash provided by (used for) investing activities		(250,000)

NET INCREASE (DECREASE) IN CASH 911,981

CASH, Beginning of year -

CASH, End of year \$ 911,981

Supplemental disclosure of noncash investing and financing transactions:
Donated investments of \$151,585 were received during the year.

ELK RIVER HELPING HANDS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 – Organization and Nature of Activities:

Elk River Helping Hands (the Organization) was organized on April 25, 2024, as a North Carolina nonprofit corporation. The Organization is dedicated to assisting in the aftermath of catastrophic events with needs of the people of the High Country of North Carolina, including but not limited to Avery and Watauga Counties in North Carolina and Carter County, Tennessee.

NOTE 2 – Summary of Significant Accounting Policies:

Basis of Accounting and Presentation

The Organization maintains its books and records on the modified cash basis of accounting. This basis differs from accounting principles generally accepted in the United States of America primarily because certain revenue amounts are recognized when received rather than when earned, and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred.

Financial Statement Presentation

The financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. That basis differs from generally accepted accounting principles in that revenue and support are recognized when received instead of when the service is provided, payments to vendors are recognized when paid instead of when goods or services are received, and losses resulting from collection of amounts due are recognized as the amounts due are paid instead of when the loss is believed probable and can be reasonably estimated. The cash basis is modified to record investments at fair market value.

Accordingly, the Organization presents information regarding its net assets and activities according to two classes of net assets: net assets without restrictions and net assets with donor restrictions.

Net assets without donor restrictions - the portion of net assets not subject to time or donor-imposed restrictions that may be extended for any purpose in performing the primary objective of the Organization.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that will be met by actions of the Organization and/or the passage of time. When a donor-stipulated time restriction ends or a purpose restriction 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.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

ELK RIVER HELPING HANDS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 – Summary of Significant Accounting Policies (continued):

Cash and Cash Equivalents

Cash and cash equivalents consist of funds in checking accounts and money market demand accounts with an original maturity of three months or less. These accounts are at financial institutions that are Federal Deposit Insurance Corporation insure up to \$250,000. The balances in excess of insurance limits at December 31, 2024 is \$770,621. The Organization may draw on these deposits and funds at any time.

Investments

Investments are valued at fair value using quoted market prices. Investment income and realized and unrealized gains or losses are recorded when earned.

Fair value of financial instruments

Financial Accounting Standards Board (“FASB”) has issued authoritative guidance regarding fair value measurements, which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (“GAAP”) and expands disclosures about fair value measurements. Fair value as defined under GAAP is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Church utilizes market data or assumptions that market participants would use in pricing the asset or liability. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Use of 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.

Functional Allocation of Expenses

The costs of providing the Organization’s various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs and expenses have been allocated among the programs and supporting services.

Income Tax Status

The Organization is a nonprofit organization that is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509 (a)(1). However, the Organization is subject to tax on unrelated business income, such as income generated by its investments.

As of December 31, 2024, management evaluated the Organization’s tax positions and concluded that the Organization had maintained its tax-exempt status and had taken no material uncertain tax positions that require adjustment to or disclosure in the financial statements.

Subsequent Events

The Organization has evaluated subsequent events through October 27, 2025, which is the date the financial statements were available to be issued, for events requiring recording or disclosure in the financial statements for the year ended December 31, 2024.

ELK RIVER HELPING HANDS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 2 – Summary of Significant Accounting Policies (continued):

Donated services

Generally accepted accounting principles require that the value of donated services received be recorded in the financial statements only if the services (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. No amounts have been reflected in the financial statements for certain donated volunteer services because they do not qualify for recording under the guidelines of accounting standards; however, a substantial number of volunteers have donated a significant amount of time in the Organization’s program services and fundraising campaigns.

Advertising Costs

Advertising costs are expensed when incurred. Advertising expense for the year ended December 31, 2024 was \$0.

NOTE 3 – Liquidity and availability:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date comprise the following:

Cash and cash equivalents	\$ 911,981
Investments	402,902
	<u>\$ 1,314,883</u>

NOTE 4 – Investments:

Accounting Standards Codification Topic 820, Fair Value Measurement, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 – Inputs are quoted prices in active markets for identical investments that the Organization has the ability to access at the measurement date.
- Level 2 – Inputs are inputs other than quoted prices within Level 1 that are observable for the investment, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- Level 3 – Unobservable inputs for the investment, including estimates by partnership managers based on the best information available.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement in its entirety.

For the valuation of mutual funds and domestic and international equity investments, the Organization used quoted prices in principal active markets for identical assets as of the valuation date.

Investment transactions are recorded on trade date, which may result in both investment receivables and payables on unsettled investment trades; however, there were no such transactions as of December 31, 2024. Gains and losses on investments resulting from market fluctuations are recorded in the statement of activities in the period that such fluctuations occur. Realized and unrealized gains or losses on sales of investments are calculated on an adjusted cost basis and included within net gains from investments on the statement of activities.

**ELK RIVER HELPING HANDS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 – Investments (continued):

The following table present investments that are measured at fair value on a recurring basis:

Fair Value measurements at December 31, 2024:

	Total	Level 1	Level 2	Level 3
Mutual funds	\$ 139,847	139,847	-	-
Core Account- money market	226,194	226,194	-	-
Stocks	36,861	36,861	-	-
	\$ 402,902	402,902	-	-
Realized and unrealized gains (losses)		\$ 1,421		
Investment fees		104		
		\$ 1,317		

NOTE 5 – Contributed Non-Cash Donations

During the year ended December 31, 2024, the Organization received donations of publicly traded securities with an aggregate fair market value of \$151,585 at the date of donation. These securities were recorded as contribution revenue and reported as non-cash contributions in the Statement of Activities.

The fair value of the donated securities was determined based on quoted market prices on the date of donation, in accordance with FASB ASC 958-605. \$114,248 of the securities were subsequently sold, resulting in a realized gain, which is included in the Statement of Activities.

The total proceeds from the sale of these securities are included in cash flows from investing activities in the Statement of Cash Flows. These transactions represent non-cash investing and financing activities and are disclosed accordingly.