

**SAVANNAH/CHATHAM COUNTY  
COURT APPOINTED SPECIAL ADVOCATES, INC.**

**FINANCIAL STATEMENTS**

**YEARS ENDED DECEMBER 31, 2016 AND 2017**



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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
of Savannah/Chatham County Court Appointed Special Advocates, Inc.

We have audited the accompanying financial statements of Savannah/Chatham County Court Appointed Special Advocates, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities and cash flows for the year 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 audit. 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 audits 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 Savannah/Chatham County Court Appointed Special Advocates, Inc. 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.

*Coomer, Coomer & Routhier, P.C.*

COOMER, COOMER & ROUTHIER, P.C.

Savannah, Georgia

June 14, 2019

SAVANNAH/CHATHAM COUNTY COURT APPOINTED SPECIAL ADVOCATES, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2018 AND 2017

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 259,507	\$ 266,702
Grants receivable	100,075	98,581
Prepaid expense	1,977	3,265
Total current assets	361,559	368,548
PROPERTY AND EQUIPMENT, NET	1,687	2,073
TOTAL ASSETS	\$ 363,246	\$ 370,621
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 1,881	\$ 5,667
Accrued expenses and other liabilities	5,314	5,801
Total current liabilities	7,195	11,468
NET ASSETS		
Unrestricted	356,051	359,153
Total net assets	356,051	359,153
TOTAL LIABILITIES AND NET ASSETS	\$ 363,246	\$ 370,621

See Independent Auditor's Report

SAVANNAH/CHATHAM COUNTY COURT APPOINTED SPECIAL ADVOCATES, INC.

STATEMENT OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2018 and 2017

	2018	2017
INCREASES IN UNRESTRICTED NET ASSETS		
Contributions	\$ 43,214	\$ 46,647
Fundraising events	127,318	118,268
Grants and government funding	214,556	276,776
Other	726	1,790
Total increases in unrestricted net assets	<u>385,814</u>	<u>443,481</u>
DECREASES IN UNRESTRICTED NET ASSETS		
Program services:		
Activities and gifts	2,235	1,890
Conferences	11,839	12,695
Depreciation	784	1,260
Employee benefits	22,858	26,231
Equipment rental	5,251	5,864
Payroll taxes	14,390	21,889
Postage	254	794
Rent	13,779	13,779
Salaries and wages	191,454	222,791
Supplies	2,621	4,239
Telephone	8,394	7,493
Training	9,323	10,675
Travel and meetings	6,197	9,739
Supporting services:		
Advertising	240	1,439
Bank charges and credit card fees	113	435
Dues and subscriptions	494	481
Fundraising costs	34,929	25,944
Insurance	6,303	5,077
Miscellaneous	320	60
Payroll services	1,925	2,355
Payroll taxes	2,703	3,019
Professional fees	18,724	12,049
Salaries and wages	33,786	39,461
Total decreases in unrestricted net assets	<u>388,916</u>	<u>429,659</u>
CHANGE IN NET ASSETS	<u>(3,102)</u>	<u>13,822</u>
NET ASSETS - BEGINNING OF YEAR	359,153	348,742
Prior period adjustment	-	(3,411)
NET ASSETS - BEGINNING OF YEAR, AS RESTATED	<u>359,153</u>	<u>345,331</u>
NET ASSETS - END OF YEAR	<u>\$ 356,051</u>	<u>\$ 359,153</u>

See Independent Auditor's Report

SAVANNAH/CHATHAM COUNTY COURT APPOINTED SPECIAL ADVOCATES, INC.  
STATEMENT OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (3,102)	\$ 13,822
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation	784	1,260
Receivables	(1,494)	(3,486)
Prepaid expenses	1,288	(2,854)
Accounts payable	(3,786)	(1,760)
Accrued expenses and other liabilities	(487)	98
Accumulated depreciation adjustment	(398)	-
Net cash provided (used) by operating activities	(7,195)	7,080
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(7,195)	7,080
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	266,702	259,622
CASH AND CASH EQUIVALENTS - END OF YEAR OF YEAR	\$ 259,507	\$ 266,702
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest Paid	\$ -	\$ -
In Kind Contributions	\$ 1,511	\$ 2,124

See Independent Auditor's Report

SAVANNAH/CHATHAM COUNTY COURT APPOINTED SPECIAL ADVOCATES, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization** – Savannah/Chatham County Court Appointed Special Advocates, Inc. (the Organization) was incorporated in 1993 by the State of Georgia as a nonprofit organization. The Organization was formed for charitable and educational purposes with the mission to provide training and supervision to volunteers who advocate for the best interests of abused and neglected children who are under the jurisdiction of the Chatham County Juvenile Court. Activities of the Organization are financed by government and private grants and by contributions from other organizations and individuals.

**Income Taxes** – The Organization is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code. Therefore, no provision for federal or state income taxes has been made on these financial statements.

**Basis of Accounting** – The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Basis of Presentation** – The Organization is required to report information regarding its financial position and activities according to the following classes of net assets:

**Unrestricted net assets** – Net assets that are not subject to donor-imposed stipulations.

**Temporarily restricted net assets** – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

**Permanently restricted net assets** – Net assets subject to donor-imposed stipulations that the assets are maintained permanently by the Organization. Generally, the donors of these assets permit the use of all or part of the income earned on related investments for unrestricted purposes. The Organization does not have any permanently restricted net assets.

**Use of Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles 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.

**Cash and Cash Equivalents** – Cash and cash equivalents include all cash balances and highly liquid investments and debt instruments with an initial maturity of three months or less.

**Receivables** – Receivables consist principally of amounts due from grantor agencies for reimbursable costs. Management considers all remaining grants receivable at December 31, 2018 to be fully collectible. Accordingly, no allowance for doubtful accounts is considered necessary.

**Advertising** – The Organization charges the cost of advertising to expense as incurred. Advertising expense totaled \$240 and \$1,439 for the years ended December 31, 2018 and 2017, respectively.

**Property and Equipment** – Property and equipment acquired are stated at acquisition cost, or if donated, at the approximate fair value at the date of donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets which range from five to seven years. Depreciation expense for the years ended December 31, 2018 and 2017 was \$784 and \$1,260, respectively.

SAVANNAH/CHATHAM COUNTY COURT APPOINTED SPECIAL ADVOCATES, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Restricted and Unrestricted Support** – Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in temporarily or permanently restricted assets, depending on the nature of the restriction. When the restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**NOTE 2 – PROPERTY AND EQUIPMENT**

Property and equipment are summarized as follows:

	December 31,	
	2018	2017
Furniture and Equipment	\$ 17,838	\$ 17,838
Less Accumulated Depreciation	(16,151)	(15,765)
	\$ 1,687	\$ 2,073

**NOTE 3 – OPERATING LEASES**

The Organization leases office space from the United Way of the Coastal Empire. The lease expired in September 2015, and the terms are now month to month. For the years ended December 31, 2018 and 2017, lease payments related to occupancy totaled \$13,779 each year.

The Organization also leases office equipment with varying expiration dates and non-cancelable lease terms. Lease expense for office equipment totaled \$5,251 for the year ending December 31, 2018, and \$5,864 for the year ending December 31, 2017. Future minimum lease payments under non-cancelable operating leases are as follows:

For the Years Ending December 31:

2019	\$ 2,696
2020	2,696
2021	-
2022	-
2023	-
	\$ 5,392

**SAVANNAH/CHATHAM COUNTY COURT APPOINTED SPECIAL ADVOCATES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018 AND 2017**

**NOTE 4 – CONCENTRATIONS AND CONTINGENCIES**

The Organization receives approximately one half of its funding from grants and government contract sources. As such, these grant awards from federal, state, and local governmental entities are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with award restrictions. No provision has been made for any liabilities that may arise from such audits should they occur, since the amounts, if any, cannot be determined at this time.

**NOTE 5 – CONTRIBUTED GOODS AND SERVICES**

The Organization utilizes trained volunteers to fulfill its program requirements. Volunteer hours are tracked for grant reporting purposes, but the value of these service hours is not recorded in the accounts of the Organization. Other contributed services are recorded in the accounts at fair market value if the services (a) create or enhance long-lived assets or (b) require specialized skills. The amount of contributed services meeting the qualifications for recognition totaled \$1,511 for the year ending December 31, 2018, and \$2,124 for the year ending December 31, 2017.

**NOTE 6 – UNCERTAINTY IN INCOME TAXES**

The Organization has not recognized any interest or penalties in its statement of activities that are related to any of its tax positions. Tax years 2016 through 2018 remain open for examination by taxing authorities.

**NOTE 7 – PRIOR PERIOD ADJUSTMENT**

Beginning net assets have been restated due to the correction of an error in prepaid expenses. Expired insurance premiums were not amortized from the prepaid expense account for the year ending December 31, 2017. The effect of this adjustment is to decrease prepaid expenses and unrestricted net assets in the amount of \$3,411.

**NOTE 8 – MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS**

Per Management's review of subsequent events for the period January 1, 2019 through June 14, 2019, there are no other events that should be recognized in these financial statements or disclosed in the notes. The date of June 14, 2019 is the issuance date of these financials.

