
**Building Recovery Integrity Dedication
Gratitude & Empowerment, Inc.**

**Financial Statements as of December 31, 2024
And Independent Auditors' Report**

SEYMOUR & PERRY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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The American Institute of Certified Public Accountants
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Building Recovery Integrity Dedication Gratitude & Empowerment, Inc.
Cleveland, Georgia

We have audited the accompanying financial statements of Building Recovery Integrity Dedication Gratitude & Empowerment, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 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 Building Recovery Integrity Dedication Gratitude & Empowerment, Inc. as of December 31, 2024, and the results of its operations 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 audit 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 Building Recovery Integrity Dedication Gratitude & Empowerment, Inc. 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 Building Recovery Integrity Dedication Gratitude & Empowerment, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material 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 amount 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 Building Recovery Integrity Dedication Gratitude & Empowerment, Inc.'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 judgement, there are conditions or events, considered in the aggregate, that arise substantial doubt about the Building Recovery Integrity Dedication Gratitude & Empowerment, Inc.'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 findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in black ink, appearing to read "M. Alan Perry". The signature is fluid and cursive, with the first name "M." and last name "Perry" clearly distinguishable.

M. Alan Perry, CPA
Seymour & Perry, LLC
Watkinsville, Georgia
May 9, 2024

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.

STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024*In U.S. Dollars*

ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 4,344
Accounts Receivable	34,633
Prepaid Expense	<u>2,200</u>
Total Current Assets	41,177
Property, Plant & Equipment	
Vehicles	5,000
Less: Accumulated Depreciation	<u>(1,000)</u>
Total Property, Plant & Equipment	4,000
Other Assets	
Operating Lease Right-of-Use Asset	<u>45,825</u>
TOTAL ASSETS	<u><u>\$ 91,002</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts Payable	\$ 5,518
Interest Payable	116
Note Payable	14,884
Current Portion of Operating Lease Liability	<u>20,414</u>
Total Current Liabilities	40,933
Long Term Portion of Operating Lease Liability	<u>26,303</u>
TOTAL LIABILITIES	\$ 67,236
Net Assets	
With Donor Restrictions	\$ -
Without Donor Restriction	<u>23,766</u>
Total Net Assets	<u>23,766</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 91,002</u></u>

See Independent Auditor's Report and the accompanying notes

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024***In U.S. Dollars***NET ASSETS WITHOUT DONOR RESTRICTIONS****Revenues & Other Support:**

Government Contract Revenue	\$	229,866
Contribution, Gift, and Grant Revenue		24,620
Raffle and Event Revenue		2,596
Sponsorship Revenue		2,000
Interest Income		4
Other Income		<u>222</u>

Total Revenue and Support	\$	259,307
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Expenses:

Program Services	\$	234,607
Supporting Services		<u>2,020</u>

Total Expenses	\$	<u>236,627</u>
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Change in Net Assets	\$	22,680
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Net Assets - Beginning of Year		(130)
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Prior Period Adjustment		<u>1,215</u>
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Net Assets - End of Year	\$	<u><u>23,766</u></u>
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See Independent Auditor's Report and the accompanying notes

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024***In U.S. Dollars*

	<u>Program Services</u>	<u>Supporting Services</u>	<u>Total</u>
Expenses:			
Salaries & Wages	\$ 114,244	\$ -	\$ 114,244
Supplies	27,520	-	27,520
Rent Expense	22,298	-	22,298
Office Supplies Expense	20,214	-	20,214
Payroll Tax Expense	10,303	-	10,303
Utilities Expense	8,867	-	8,867
Marketing Expense	7,813	-	7,813
Repairs & Maintenance	7,054	-	7,054
Program Expenses	7,036	-	7,036
Client Transportation Expenses	3,959	-	3,959
Per Diem Expenses	3,310	-	3,310
Insurance Expense	1,818	-	1,818
Interest Expense	-	1,020	1,020
Depreciation Expense	-	1,000	1,000
Legal Fees	99	-	99
Postage Expense	72	-	72
	<u>\$ 234,607</u>	<u>\$ 2,020</u>	<u>\$ 236,627</u>

See Independent Auditor's Report and the accompanying notes

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024***In U.S. Dollars***Cash Flows from Operating Activities:**

Contributed Support and Earned Revenue:	
Government Contract Revenue	\$ 195,233
Contribution, Gift, and Grant Revenue	24,620
Raffle and Event Revenue	2,596
Sponsorship Revenue	2,000
Interest Income	4
Other Income	222
Payments to Vendors	(236,423)
Total Cash Flows From Operating Activities	\$ (11,749)

Cash Flows from Financing Activities:

Proceeds from Note Payable	\$ 35,000
Repayment of Principal on Notes Payable	(18,986)
Total Cash Flows from Investing Activities	\$ 16,014

Cash on Hand and in Bank @ January 1, 2024	<u>78</u>
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Cash on Hand and in Bank @ December 31, 2024	<u><u>\$ 4,344</u></u>
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SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**Reconciliation of Net Income to Cash Flows From Operations:**

Increase in Net Assets	\$ 22,680
Adjust: Non-Cash Charges to Operations	
Depreciation	1,000
Imputed Interest on Note Payable	978
Noncash Donation of Vehicle	(5,000)
Adjustments to reconcile increase in net assets:	
(Increase) in Accounts Receivable	(34,633)
(Increase) in Prepaid Expenses	(2,200)
Increase in Accrued Expenses	-
Increase in Accounts Payable	5,310
Increase in Interest Payable	116
Total Cash Flows From Operating Activities	\$ (11,749)

NONCASH INVESTING ACTIVITIES

Receipt of fixed assets	\$ 5,000
Donation revenue recognized	(5,000)
Cash Received/(Paid)	<u><u>\$ -</u></u>

See Independent Auditor's Report and the accompanying notes

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2024****1. NATURE OF OPERATIONS**

Building Recovery Integrity Dedication Gratitude & Empowerment, Inc. is a not-for-profit Organization under the IRS 501(c)(3) provision. Building Recovery Integrity Dedication Gratitude & Empowerment, Inc. was organized as a Recovery Community Organization (RCO) in Northeast Georgia to advocate for clients with peer-based experience and assistance. The mission of the Organization is “to ensure that anyone seeking recovery can and will find it.” It is supported primarily by grants and contributions from the Department of Behavioral Health and Developmental Disabilities and community members.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities. Under that basis, expenses are recorded when incurred, contributions are recorded when notice is received, and revenues are recorded when earned.

Basis of Presentation – The Organization has adopted the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, Topic 958 for Not-for-Profit Entities. Under FASB ASU Topic 958, and ASU 2016-14, the Organization is required to report its net assets in the following two categories:

- **Net Assets Without Donor Restrictions** – Net assets without donor restrictions include revenues derived from unrestricted contributions, grants, return on investments, board-designed amounts and other inflows of assets whose use is not limited by donor-imposed restrictions less expenditures. As of December 31, 2024, net assets without donor restrictions totaled \$23,766.
- **Net Assets With Donor Restrictions** – Net assets with donor restrictions include amounts restricted by the donor in perpetuity, restricted for specific purposes, or restricted by the passage of time. When restrictions are satisfied, the funds are reclassified to net assets without donor restrictions. As of December 31, 2023, net assets with donor restrictions totaled \$0.

Cash and Cash Equivalents – All highly liquid investments with original maturities of three months or less are considered to be cash equivalents.

Receivables – Accounts receivable of \$34,633 consists of reimbursement due from the Department of Behavioral Health and Developmental Disabilities. Accounts receivables are deemed uncollectible and written off as bad debt expense if they are deemed uncollectible. Bad debt expense for 2024 was \$0.

Property and Equipment – Property and equipment are stated at cost or at estimated fair value at the date of the donation. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$2,500 with a useful life greater than one year. The Organization computes depreciation using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	39 years
Leasehold Improvements	15 years
Furniture, Fixtures, and Equipment	5-7 years
Vehicles	5 years

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.
NOTES TO FINANCIAL STATEMENTS (cont'd)
DECEMBER 31, 2024

Tax Status – The Organization’s activities are generally exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Since the Organization is exempt from federal and state income tax liability, no provision is made for current or deferred income tax expenses.

Income tax benefits are recognized for income tax positions taken, or expected to be taken, in a tax return only when it is determined that the income tax position will more likely than not be sustained upon examination by taxing authorities. The Organization has analyzed its tax positions taken for filings with the Internal Revenue Service. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization’s financial condition, results in operations, or cash flows. Accordingly, the Organization has not recorded any tax assets or liabilities, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2024. The Organization would recognize interest and penalties, if any, related to unrecognized tax benefits in interest expense.

All tax-exempt entities are subject to review and audit by federal, state and other applicable agencies. Such agencies may review the taxability of unrelated business income, or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes. There currently are no audits of the Organization’s returns in progress.

Compensated Absences – The Organization allows employees to receive compensation for vacation and sick leave. Compensated absences for vacation and sick pay have not been accrued since they cannot be reasonably estimated but are expensed as incurred.

Advertising Costs – Advertising costs are expensed as incurred with no direct response advertising to be capitalized.

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 certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Revenue Recognition – Revenue includes reimbursement grants from DBHDD and grants from other organizations and community members. These donations and grants are recorded as revenue upon receipt unless it is restricted for a designated purpose. For restricted grants, the grant revenue is recorded when the restricted purpose is satisfied. The Organization also receives public support which represents unconditional gifts in a voluntary nonreciprocal transfer. The Organization recognizes all contributed public support received as income in the period received. The performance obligations of all sources of revenue are satisfied at a certain point in time and therefore recognized at that time. Economic factors may impact the nature, amount, timing, and uncertainty of revenue and cash flows.

Functional Allocation of Expenses – The cost of providing various programs has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.**NOTES TO FINANCIAL STATEMENTS (cont'd)****DECEMBER 31, 2024**

Promises to Give – Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Accounting for Leases – The Organization leases office space. The Organization determines if an arrangement is an operating lease or capital lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities in the balance sheet.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Organization uses the risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Any lease that is for a term of less than one year is considered a short-term lease where no ROU asset or liability is recognized. For short term leases, lease payments are recognized as expense on a straight-line basis over the lease term.

3. CONCENTRATION OF RISK

The Organization maintains its cash in bank deposit accounts which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes that there is no significant risk with respect to these deposits.

4. PROPERTY AND EQUIPMENT

A summary of property and equipment at December 31, 2024, are as follows:

	December 31, 2023	Additions	Deletions	December 31, 2024
Vehicles	\$ -	\$ 5,000	\$ -	\$ 5,000
Accumulated Depreciation	-	(1,000)	-	(1,000)
Net	\$ -	\$ 4,000	\$ -	\$ 4,000

A vehicle with a market value of \$5,000 was donated to the Organization during 2024. Depreciation expense recognized for the year ending December 31, 2024 was \$1,000.

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.**NOTES TO FINANCIAL STATEMENTS (cont'd)****DECEMBER 31, 2024****5. LEASES**

The Organization leases office space under a noncancelable operating lease agreement expiring on February 28, 2027. The lease agreement contains an option to renew the lease for 3 consecutive terms of 3 years upon the same terms and conditions that are provided in the lease, except that the rent will increase 5% annually over the previous year's rent. The Board of Directors has not indicated that the option to renew will be exercised. Accordingly, the period covered by the options to extend the lease is not recognized as part of the right-of-use asset and lease liabilities.

The following table presents components of lease cost, excluding any short-term lease cost:

	<u>FY Ending 12/31/24</u>
Operating lease cost	\$22,298
Finance lease cost:	
Amortization of leased assets	-
Interest on lease liabilities	-
Variable lease cost	-
Total lease cost	<u>\$22,298</u>

The following table presents weighted average remaining lease terms and discount rates:

	<u>FY Ending 12/31/24</u>
Weighted Average Remaining Lease Term (Years)	
Operating leases	2.2
Finance leases	-
Weighted Average Discount Rate	
Operating leases	4.32%
Finance leases	-

The following table presents approximate future minimum lease payments under operating leases as of December 31, 2024:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 21,956
2026	23,054
2027	3,873
2028	-
2029	-
	<u>\$ 48,883</u>

Reconciliation of Operating Lease Payments to Operating Lease Liabilities:

Total Operating Lease Liabilities, Payments		\$ 48,883
Operating Lease Liability, Current	\$ 20,414	
Operating Lease Liability, Noncurrent	<u>26,303</u>	
Operating Lease Liability		<u>46,717</u>
Present Value Adjustment		<u>\$ 2,166</u>

BUILDING RECOVERY INTEGRITY DEDICATION GRATITUDE & EMPOWERMENT, INC.
NOTES TO FINANCIAL STATEMENTS (cont'd)
DECEMBER 31, 2024

6. NOTE PAYABLE

During 2024, the Organization received a \$30,000 non-interest bearing one year loan from a community member. The applicable federal rate used for imputing interest was 4.68%. The balance owed at December 31, 2024 on this note was \$14,884 of principal and \$116 of interest. The note was paid in full in February 2025.

7. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization regularly monitors liquidity required to meet its annual operating needs and other contractual commitments. As of December 31, 2024, the Organization has the following financial assets available to meet annual operating needs for the 2024 year as follows:

Financial assets	
Cash	\$ 4,344
Accounts receivable	34,633
	<u>38,977</u>
Restricted by donor with time and purpose restrictions	<u>(0)</u>
Financial assets available to meet cash needs within one year	<u>\$ 38,977</u>

The Organization manages its liquid resources by employing a variety of measures. The Organization focuses on generating adequate grants and contributions to cover the costs of its activities. The Organization also monitors costs closely.

8. EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through May 9, 2025, the date on which the financial statements were available to be issued.
