

CENTREPOINTE COUNSELING, INC.

Financial Statements Together with Independent Accountant's Review Report

For the Years Ended June 30, 2025 and 2024 (restated)



C.E.A. SCHOLTES & ASSOCIATES
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
CentrepoinTE Counseling, Inc.
Ashton, Maryland

We have reviewed the accompanying financial statements of CentrepoinTE Counseling, Inc. (the Organization), a nonprofit organization, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows 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 entity 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 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.

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 us 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 accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of CentrepoinTE Counseling, Inc. 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 accounting principles generally accepted in the United States of America.

Other Matters

The financial statements of CentrePointe Counseling, Inc. as of June 30, 2024, were reviewed by other accountants whose report dated September 18, 2024, stated based on their procedures, they are not aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. As described in Note 8, management recorded a prior period adjustment after the other accountants issued their report.

C. E. A. Scholtes & Associates

Baltimore, Maryland
September 8, 2025

CENTREPOINTE COUNSELING, INC.
STATEMENTS OF FINANCIAL POSITION
As of June 30, 2025 and 2024

	<u>2025</u>	<i>Restated</i> <u>2024</u>
ASSETS		
Current Assets		
Cash	\$ 59,341	\$ 82,308
Investments, at fair value	143,760	134,714
Accounts Receivable, net of an allowance for credit losses \$11,472 and \$8,630, respectively	107,698	90,494
Prepaid Expenses	5,848	5,964
Total Current Assets	<u>316,647</u>	<u>313,480</u>
Property and Equipment, net	<u>629</u>	<u>949</u>
 Total Assets	 <u><u>\$ 317,276</u></u>	 <u><u>\$ 314,429</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 30,025	\$ 20,283
Accrued Expenses	109,413	103,241
Total Liabilities	<u>139,438</u>	<u>123,524</u>
Net Assets		
Without Donor Restrictions	139,885	140,173
With Donor Restrictions	37,953	50,732
Total Net Assets	<u>177,838</u>	<u>190,905</u>
 Total Liabilities and Net Assets	 <u><u>\$ 317,276</u></u>	 <u><u>\$ 314,429</u></u>

See accompanying notes and independent accountant's review report.

CENTREPOINTE COUNSELING, INC.
STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2025
(with comparative totals For the Year Ended June 30, 2024 (Restated))

	2025			<i>Restated</i> 2024
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
Revenues, Gains and Other Support				
Contributions				
Cash Gifts and Fundraising	\$ 56,977	\$ 17,769	\$ 74,746	\$ 52,591
Program Services	1,510,635	-	1,510,635	1,430,322
Donated Facilities	126,000	-	126,000	115,920
Investment Income, net	9,046	-	9,046	4,292
Other Income	-	-	-	2,409
	<u>1,702,658</u>	<u>17,769</u>	<u>1,720,427</u>	<u>1,605,534</u>
Satisfaction of Purpose Restrictions	30,548	(30,548)	-	-
Total Revenues, Gains and Other Support	<u>1,733,206</u>	<u>(12,779)</u>	<u>1,720,427</u>	<u>1,605,534</u>
Expenses				
Program Services				
Counseling	1,359,243	-	1,359,243	1,305,382
Supporting Services				
Management and General	365,718	-	365,718	408,492
Fundraising	8,533	-	8,533	4,102
Total Supporting Services	<u>374,251</u>	<u>-</u>	<u>374,251</u>	<u>412,594</u>
Total Expenses	<u>1,733,494</u>	<u>-</u>	<u>1,733,494</u>	<u>1,717,976</u>
Change in Net Assets	(288)	(12,779)	(13,067)	(112,442)
Net Assets, Beginning of Year, Restated	<u>140,173</u>	<u>50,732</u>	<u>190,905</u>	<u>303,347</u>
Net Assets, End of Year	<u>\$ 139,885</u>	<u>\$ 37,953</u>	<u>\$ 177,838</u>	<u>\$ 190,905</u>

See accompanying notes and independent accountant's review report.

CENTREPOINTE COUNSELING, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

	<i>Restated</i>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, Gains and Other Support			
Contributions			
Cash Gifts and Fundraising	\$ 28,006	\$ 24,585	\$ 52,591
Program Services	1,430,322	-	1,430,322
Donated Facilities	115,920	-	115,920
Investment Income, net	4,292	-	4,292
Other Income	2,409	-	2,409
	<u>1,580,949</u>	<u>24,585</u>	<u>1,605,534</u>
Satisfaction of Purpose Restrictions	24,062	(24,062)	-
Total Revenues, Gains and Other Support	<u>1,605,011</u>	<u>523</u>	<u>1,605,534</u>
Expenses			
Program Services			
Counseling	1,305,382	-	1,305,382
Supporting Services			
Management and General	408,492	-	408,492
Fundraising	4,102	-	4,102
Total Supporting Services	<u>412,594</u>	<u>-</u>	<u>412,594</u>
Total Expenses	<u>1,717,976</u>	<u>-</u>	<u>1,717,976</u>
Change in Net Assets	(112,965)	523	(112,442)
Net Assets, Beginning of Year, previously stated	197,352	50,209	247,561
Prior Period Adjustment (Note 8)	<u>55,786</u>	<u>-</u>	<u>55,786</u>
Net Assets, Beginning of Year, restated	<u>253,138</u>	<u>50,209</u>	<u>303,347</u>
Net Assets, End of Year	<u>\$ 140,173</u>	<u>\$ 50,732</u>	<u>\$ 190,905</u>

See accompanying notes and independent accountant's review report.

CENTREPOINTE COUNSELING, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025
(with comparative totals For the Year Ended June 30, 2024)

Restated

	2025				2024	
Program Services	Supporting Services					
	Counseling	Management and General	Fundraising	Total	Total	Total
Depreciation	\$ -	\$ 320	\$ -	\$ 320	\$ 320	\$ 286
Development	-	-	200	200	200	2,072
Donated Facilities	113,400	12,600	-	12,600	126,000	115,920
Dues and Subscriptions	-	375	-	375	375	1,690
Employee Benefits	14,423	793	75	868	15,291	9,893
Grants and Contributions	30,548	-	-	-	30,548	26,117
Insurance	13,038	717	68	785	13,823	10,672
Marketing	-	-	1,307	1,307	1,307	2,538
Medical Billing	174,595	-	-	-	174,595	161,417
Office and Other Expenses	-	5,666	-	5,666	5,666	2,483
Payroll and Payroll Related Expenses	989,251	322,993	6,758	329,751	1,319,002	1,342,634
Professional Fees	-	20,936	-	20,936	20,936	17,786
Technology	23,988	1,318	125	1,443	25,431	24,468
Total Expenses	\$ 1,359,243	\$ 365,718	\$ 8,533	\$ 374,251	\$1,733,494	\$ 1,717,976

See accompanying notes and independent accountant's review report.

CENTREPOINTE COUNSELING, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

	<i>Restated</i>				<u>Total</u>
	<u>Program Services</u>	<u>Supporting Services</u>			
	<u>Counseling</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	
Depreciation	\$ -	\$ 286	\$ -	\$ 286	\$ 286
Development	-	-	2,072	2,072	2,072
Donated Facilities	104,328	11,592	-	11,592	115,920
Dues and Subscriptions	-	1,690	-	1,690	1,690
Employee Benefits	-	9,893	-	9,893	9,893
Grants and Contributions	26,117	-	-	-	26,117
Insurance	-	10,672	-	10,672	10,672
Marketing	-	508	2,030	2,538	2,538
Medical Billing	161,417	-	-	-	161,417
Office and Other Expenses	-	2,483	-	2,483	2,483
Payroll and Payroll Related Expenses	1,013,520	329,114	-	329,114	1,342,634
Professional Fees	-	17,786	-	17,786	17,786
Technology	-	24,468	-	24,468	24,468
Total Expenses	<u>\$ 1,305,382</u>	<u>\$ 408,492</u>	<u>\$ 4,102</u>	<u>\$ 412,594</u>	<u>\$ 1,717,976</u>

See accompanying notes and independent accountant's review report.

CENTREPOINTE COUNSELING, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<i>Restated</i> <u>2024</u>
Cash Flows from Operating Activities:		
Change in Net Assets	\$ (13,067)	\$ (112,442)
Adjustments to Reconcile Changes in Net Assets to Net Cash		
Used in Operating Activities:		
Allowance for Credit Losses Adjustment	2,842	-
Depreciation	320	286
Loss on Disposal of Property and Equipment	-	384
Reinvested Interest and Dividends, net of fees	(2,988)	(5,905)
Net Realized and Unrealized (Gain) Loss	(6,058)	1,613
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(20,046)	31,905
Decrease (Increase) in Prepaid Expenses	116	(508)
Increase in Accounts Payable	9,742	960
Increase in Accrued Expenses	6,172	6,740
Net Cash Used in Operating Activities	(22,967)	(76,967)
Cash Flows from Investing Activities:		
Cash Paid for Property and Equipment	-	(800)
Purchases of Investments	-	(82,768)
Net Cash Used in Investing Activities	-	(83,568)
Net Decrease in Cash	(22,967)	(160,535)
Cash, Beginning of Year	82,308	242,843
Cash, End of Year	\$ 59,341	\$ 82,308

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Non-Cash Investing Activities:		
Donated Facilities	\$ 126,000	\$ 115,920

See accompanying notes and independent accountant's review report.

CENTREPOINTE COUNSELING, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2025 and 2024 (restated)

1. Nature of Organization and Summary of Significant Accounting Policies

This summary of significant accounting policies of CentrepoinTE Counseling, Inc. (the Organization) is presented to assist in the understanding of the Organization's financial statements. The financial statements and notes are the representations of the Organization's management, who are responsible for its integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been applied in the preparation of the financial statements.

Nature of Organization

The Organization is a 501(c)(3) nonprofit organization incorporated in the state of Maryland in 1982 and reorganized via a merger with Prince Georges Pastoral Counseling, Inc. in 2004.

The Organization is a licensed clinical practice that provides Christian counseling and consultation services designed to promote healthy individuals, leading to healthy families, churches, Organizations and communities.

The Organization provides Christ-centered professional counseling and consultation services for individuals, families and organizations. The Organization, in cooperation with area churches and organizations, operates approximately 25 offices in Maryland and Virginia. The Organization generates most of its revenue from providing counseling services at an affordable cost that is indexed to each client's financial situation. The Organization receives payments directly from patients; however, the majority of payments are billed to and paid by the patient's insurance.

Basis of Accounting

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (US GAAP) on the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred.

Basis of Presentation and Net Assets

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 958, *Not-for-Profit Entities*. Under ASC No. 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

CENTREPOINTE COUNSELING, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2025 and 2024 (restated)

1. Nature of Organization and Summary of Significant Accounting Policies – (continued)

Basis of Presentation and Net Assets – (continued)

Net assets without donor restrictions are the net assets that are not restricted by donor-imposed stipulations.

Net assets with donor restrictions result from contributions whose use by the Organization is limited by donor imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations (temporary restrictions) or contributions whose use by the Organization is limited by donor imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise be removed by actions of the Organization (permanent restrictions). Net assets may be restricted for various purposes, such as use in future periods or use for specified purposes or restricted in perpetuity. The Organization had \$37,953 and \$50,732 in net assets with donor restrictions as of June 30, 2025 and 2024, respectively.

Reclassification

Certain prior year balances have been reclassified to conform with the current year presentation.

Liquidity

The following reflects the Organization’s financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general use because of contractual or donor imposed restrictions within one year of the statement of financial position date.

Cash	\$ 59,341
Investments, at fair value	143,760
Accounts Receivable, net	<u>107,698</u>
	310,799
Less Those Unavailable for General Expenditures Within One Year, Due To:	
Donor Restrictions	<u>(37,953)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 272,846</u>

The Organization has \$272,846 of financial assets available within one year of June 30, 2025 to satisfy operating expenses. The Organization has a policy to structure its financial assets to be available for its general expenditures, liabilities and other obligations as they come due.

CENTREPOINTE COUNSELING, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2025 and 2024 (restated)

1. Nature of Organization and Summary of Significant Accounting Policies – (continued)

Investments

Investments are stated at fair market value.

Accounts Receivable

Accounts receivable consists of amounts due from insurance companies and from patient co-pays. The Organization maintains an allowance for credit losses using the aging method. Any recoveries of receivables that have been written off are recorded as income when received. The Organization incurred \$0 of bad debt expense during the years ended June 30, 2025 and 2024. The Organization has provided an allowance for credit losses of \$11,472 and \$8,630 as of June 30, 2025 and 2024, respectively.

Property and Equipment

The Organization capitalizes substantial expenditures of \$500 or more for property and equipment having a useful life of more than one year. Expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation.

Depreciation is calculated using the straight-line method over the following useful lives:

	<u>Years</u>
Furniture	7
Computers and Equipment	5

Depreciation for the years ended June 30, 2025 and 2024 totaled \$320 and \$286, respectively.

Valuation of Long-Lived Assets

The Organization accounts for the valuation of long-lived assets under FASB ASC No. 360, *Property, Plant and Equipment*. ASC No. 360 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the estimated fair value

1. Nature of Organization and Summary of Significant Accounting Policies – (continued)

Valuation of Long-Lived Assets – (continued)

of the asset. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell. The Organization’s management believes that there are no impaired long-lived assets as of June 30, 2025 and 2024 and, therefore, no impairment loss has been recorded during the years ended June 30, 2025 and 2024.

In-Kind Donations

Donated goods and services that meet the requirement for recognition in the financial statements and donated materials are included in support and expense at the estimated fair values on the date which they were contributed. The requirements for recognition of donated services in the financial statements are (a) the donated goods and services create or enhance non-financial assets or (b) the donated services require special skills, are provided by individuals who possess those special skills and the donated services would typically be purchased by the Organization if they had not been provided by contribution.

Revenue Recognition – Contracts with Customers

The Organization’s accounting policies and performance obligations under its contracts with customers is described below.

Significant Accounting Policy

The Organization recognizes revenue at the time services are performed. Unearned revenues are recorded when there are amounts received from customers for which the services have not yet been completed.

Provisions for estimated losses on contracts are made at the time a contract is executed based on management’s best estimates of the likelihood of a loss being incurred on a specific contract. Management considers the history of any such losses as a component to valuation elements affecting revenue recognition.

Contract costs include all direct materials and those indirect costs related to contract performance (counseling services).

1. Nature of Organization and Summary of Significant Accounting Policies – (continued)

Revenue Recognition – Contracts with Customers – (continued)

Performance Obligations and Contract Arrangements

The Organization’s performance obligations are achieved when management performs counseling services. The Organization bills its customers once work is completed. The Organization does not provide financing options for its customers. Pre-payments are not made by customers for future consulting services. The aggregate amount of the contract price allocated to unsatisfied performance obligations as of June 30, 2025 and 2024 was \$0.

Contract Balances

The Organization’s accounts receivables from contracts with customers was \$107,698 and \$90,494 as of June 30, 2025 and 2024, respectively.

Significant Judgements

As noted above in “Significant Accounting Policy”, the Organization recognizes revenue at the time services are performed. Management believes this methodology for revenue recognition has historically proven reliable and reasonably accurate and faithfully depicts the transfer of goods and services. Counseling services occur as needed. Accordingly, there has been no adjustment for the time value of money on revenue recognition. There is no allocation of the contract price to multiple elements of revenue streams from a contract. Contracts do not include provisions for refunds.

Revenue Recognition – Contributions

Revenue is considered available for the Organization’s general programs unless specifically restricted by donors. Contributions are recognized when received from the donor or when pledged as an unconditional promise to give, if pledged.

Functional Allocation of Expenses

Expenses are charged directly to program services, management and general and fundraising based on specific identification, when determinable. Other indirect expenses are allocated based on the percentages of direct costs.

**1. Nature of Organization and Summary of Significant Accounting Policies –
(continued)**

Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (the Code) and comparable State law, and contributions to it are tax deductible within the limitations prescribed by the Code. The Organization has been classified as a publicly supported organization which is not a private Organization under Section 509(a) of the Code.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the positions. There were no unrecognized tax benefits identified or recorded as liabilities for the years ended June 30, 2025 and 2024. The Organization's Federal Forms 990 remain open for three years for federal and state examination.

Use of Estimates in Financial Statements

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 support and revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Organization evaluated the accompanying financial statements for subsequent events and transactions through September 8, 2025, the date these financial statements were available for issue, and have determined that no material subsequent events have occurred that would affect the information presented in the accompanying financial statements or require additional disclosure.

CENTREPOINTE COUNSELING, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2025 and 2024 (restated)

2. Investments

Investments are stated at fair market value. The market value of the Organization's investments totaled \$143,760 and \$134,714 as of June 30, 2025 and 2024, respectively.

The following schedule summarizes the net investment income for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Unrealized and Realized Gain/(Loss), net	\$ 6,058	\$ (1,613)
Interest and Dividends, net of fees	<u>2,988</u>	<u>5,905</u>
Net Investment Income	<u>\$ 9,046</u>	<u>\$ 4,292</u>

3. Fair Value of Financial Instruments

FASB ASC No. 820, *Fair Value Measurements and Disclosures*, established a framework for measuring fair value. The framework provides 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 unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC No. 820 are described below:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, Level 2 input must be observable for substantially the full term of the asset or liability.

3. Fair Value of Financial Instruments – (continued)

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation techniques used by the Organization to measure fair value during the years ended June 30, 2025 and 2024 maximized the use of observable inputs and minimized the use of unobservable inputs. There have been no changes in the methodologies used as of June 30, 2025.

When an active market for an identical asset is not available, alternative pricing sources and models utilizing market observable inputs are used. The Organization determines whether the market for a financial instrument is active or inactive based on the security's daily volume and other market trading statistics. Inactivity of the market is evidenced by factors including decreased trade volumes, stale transaction prices and transaction prices that varied significantly over time.

Changes in fair value are recognized in the period in which the change occurs in the statement of activities.

The following is a description of the valuation methodologies used for assets measured at fair value as of June 30, 2025 and 2024:

Mutual Funds: Valued at the closing price reported on the active market on which the fund is traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

CENTREPOINTE COUNSELING, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2025 and 2024 (restated)

3. Fair Value of Financial Instruments – (continued)

The following table presents the Organization’s fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2025:

Description	Total	Fair Value Measurement Using		
		Quoted Prices in Active Market For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Life Strategy Growth Fund	\$ 57,406	\$ 57,406	\$ -	\$ -
KBFS Short Term Fund	86,354	86,354	-	-
Total	\$ 143,760	\$ 143,760	\$ -	\$ -

The following table presents the Organization’s fair value hierarchy for those assets measured at fair value on a recurring basis as of June 30, 2024:

Description	Total	Fair Value Measurement Using		
		Quoted Prices in Active Market For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Life Strategy Growth Fund	\$ 51,947	\$ 51,947	\$ -	\$ -
KBFS Short Term Fund	82,767	82,767	-	-
Total	\$134,714	\$134,714	\$ -	\$ -

CENTREPOINTE COUNSELING, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2025 and 2024 (restated)

4. Property and Equipment

Property and equipment consisted of the following as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Furniture	\$ 7,503	\$ 7,503
Computer and Equipment	7,383	7,383
	<u>14,886</u>	<u>14,886</u>
Less: accumulated depreciation	(14,257)	(13,937)
Property and Equipment, net	<u>\$ 629</u>	<u>\$ 949</u>

5. Net Assets With Donor Restrictions

As of June 30, 2025 and 2024, the Organization had \$37,953 and \$50,732, respectively, of net assets with donor restrictions. The related balance is held in a designated bank account restricted to the Samaritan Fund to be used for scholarships and financial aid which offsets counseling costs for clients who may not otherwise be able to afford the services.

The Organization satisfied \$30,548 and \$24,062 in purpose restrictions in the years ended June 30, 2025 and 2024, respectively,

6. Donated Facilities

The Organization receives free usage of space at various churches to meet with patients. For the years ended June 30, 2025 and 2024 the Organization estimated in-kind rent totaling \$126,000 and \$115,920, respectively. These estimates are based on the total square footage extended by the estimated market value per square foot of equivalent space. There is no formal lease agreement with the Organization and the churches; therefore, there are no lease obligations to disclose and no long-term unconditional promise to give to record..

7. Employee Benefit Plan

The Organization implemented a 403(b) retirement plan (the Plan) for the benefit of its employees. Employer contributions to the Plan for the years ended June 30, 2025 and 2024 totaled \$6,427 and \$6,240, respectively.

CENTREPOINTE COUNSELING, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended June 30, 2025 and 2024 (restated)

8. Prior Period Adjustment

Subsequent to the issuance of the financial statements as of and for the year ended June 30, 2024, management discovered that it had erroneously overstated accrued expenses by \$55,786. This resulted in an overstatement of current liabilities and understatement of net assets. Accordingly, a prior period adjustment has been recorded to adjust net assets as of June 30, 2024. The effect of this correction on previously issued financial statements includes an increase in the change in net assets without donor restrictions and a decrease in accrued expenses of \$55,786.