

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.

FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2024 AND 2023

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1-2
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expense	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11



COOMER, COOMER & ROUTHIER, P.C.

Certified Public Accountants
Professional Consultants

810 E. 67TH STREET
P.O. BOX 16387
SAVANNAH, GEORGIA 31416
(912) 691-1929 FAX (912) 356-3837

MEMBER OF AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Brightside Child and Family Advocacy, Inc.

Opinion

We have audited the accompanying financial statements of Brightside Child and Family Advocacy, Inc., (a Georgia not for profit corporation), which comprise the statement of financial position as of September 30, 2024, and the related statements of activities, functional expense, 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 Brightside Child and Family Advocacy, Inc. as of September 30, 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 Brightside Child and Family Advocacy, 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 Brightside Child and Family Advocacy, Inc.'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 Brightside Child and Family Advocacy, 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Brightside Child and Family Advocacy, 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, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Brightside Child and Family Advocacy, Inc.'s September 30, 2023 financial statements and we expressed an unmodified audit opinion in our report dated March 6, 2024. In our opinion the summarized comparative information presented herein, as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Coomer, Coomer & Routhier, P.C.

Coomer, Coomer & Routhier, P.C.

Savannah, Georgia

January 13, 2025

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 159,894	\$ 168,376
Accounts Receivable, Net	263,179	237,648
Other receivable	5,626	2,096
Prepaid expense	8,102	8,085
Total current assets	436,801	416,205
PROPERTY AND EQUIPMENT, NET	29,062	32,029
OTHER ASSET - RIGHT OF USE LEASE ASSETS, NET	77,048	110,722
TOTAL ASSETS	\$ 542,911	\$ 558,956
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 13,613	\$ 825
Accrued expenses and other liabilities	5,403	6,790
Credit card payable	7,712	8,068
Right of use lease liabilities - current portion	28,861	32,271
Total current liabilities	55,589	47,954
LONG-TERM LIABILITIES		
Right of use lease liabilities - net of current portion	50,174	79,035
Total long-term liabilities	50,174	79,035
TOTAL LIABILITIES	105,763	126,989
NET ASSETS		
Without donor restrictions	408,275	425,798
With donor restrictions	28,873	6,169
Total net assets	437,148	431,967
TOTAL LIABILITIES AND NET ASSETS	\$ 542,911	\$ 558,956

See Independent Auditor's Report

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024 (With Summarized Comparative Totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
REVENUES AND SUPPORT				
Contributions	\$ 423,278	\$ 25,204	\$ 448,482	\$ 255,601
Fundraising events, net of direct expenses	164,518	-	164,518	145,249
Grants and government funding	601,769	-	601,769	528,455
In-kind contributions	7,000	-	7,000	18,000
Other	19,539	-	19,539	2,481
Total Revenue	<u>1,216,104</u>	<u>25,204</u>	<u>1,241,308</u>	<u>949,786</u>
NET ASSETS RELEASED FROM RESTRICTIONS				
Satisfaction of program restrictions	<u>2,500</u>	<u>(2,500)</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES AND SUPPORT	1,218,604	22,704	1,241,308	949,786
EXPENSES				
Program services	969,425	-	969,425	801,448
Support services	154,304	-	154,304	164,600
Fundraising expenses	112,398	-	112,398	90,197
TOTAL EXPENSES	<u>1,236,127</u>	<u>-</u>	<u>1,236,127</u>	<u>1,056,245</u>
CHANGE IN NET ASSETS	<u>(17,523)</u>	<u>22,704</u>	<u>5,181</u>	<u>(106,459)</u>
NET ASSETS - BEGINNING OF YEAR	<u>425,798</u>	<u>6,169</u>	<u>431,967</u>	<u>538,426</u>
NET ASSETS - END OF YEAR	<u>\$ 408,275</u>	<u>\$ 28,873</u>	<u>\$ 437,148</u>	<u>\$ 431,967</u>

See Independent Auditor's Report

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
STATEMENT OF FUNCTIONAL EXPENSE
YEAR ENDED SEPTEMBER 30, 2024
(With Summarized Comparative Totals for 2023)

	Program Services	Support Services	Fundraising Expenses	2024 Total	2023 Total
Activities and gifts	\$ 1,750	\$ -	\$ -	\$ 1,750	\$ 384
Advertising	-	-	3,298	3,298	2,116
Bad debt expense	-	6,100	-	6,100	15,927
Bank charges and credit card fees	-	14	-	14	1,937
Conferences	18,539	-	-	18,539	19,179
Contract labor	3,820	-	-	3,820	-
Depreciation	7,329	-	-	7,329	6,996
Direct assistance to clients	10,259	-	-	10,259	15,828
Dues and subscriptions	-	1,710	-	1,710	1,498
Equipment rental	4,995	-	-	4,995	5,381
In-kind expense	-	-	7,000	7,000	18,000
Insurance	9,733	2,433	527	12,693	12,166
Miscellaneous	525	1,403	-	1,928	1,699
Occupancy	40,939	10,243	2,046	53,228	51,174
Payroll fees	-	4,528	-	4,528	1,420
Postage	-	1,643	548	2,191	1,612
Professional development	3,643	-	-	3,643	8,150
Professional fees	17,306	40,470	13,228	71,004	23,074
Salaries, benefits, and payroll taxes	788,346	72,916	78,360	939,622	778,835
Supplies	5,165	-	5,000	10,165	12,700
Technology	8,659	8,859	-	17,518	11,545
Telephone	8,991	3,985	2,391	15,367	15,940
Training	23,285	-	-	23,285	29,883
Travel and meetings	16,141	-	-	16,141	20,801
	<u>\$ 969,425</u>	<u>\$ 154,304</u>	<u>\$ 112,398</u>	<u>\$ 1,236,127</u>	<u>\$ 1,056,245</u>

See Independent Auditor's Report

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 5,181	\$ (106,459)
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation	7,329	6,996
Discount amortization - interest, right of use	1,403	584
Receivables	(29,061)	(53,545)
Prepaid expenses	(17)	(1,295)
Accounts payable	12,788	(9,294)
Credit card payable	(356)	1,417
Accrued expenses and other liabilities	(1,387)	(17,395)
Net cash provided (used) by operating activities	<u>(4,120)</u>	<u>(178,991)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(4,362)</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>(4,362)</u>	<u>-</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,482)	(178,991)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>168,376</u>	<u>347,367</u>
CASH AND CASH EQUIVALENTS - END OF YEAR OF YEAR	<u>\$ 159,894</u>	<u>\$ 168,376</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Right of use assets	<u>\$ 77,048</u>	<u>\$ 110,722</u>
In-kind contributions	<u>\$ 7,000</u>	<u>\$ 18,000</u>

See Independent Auditor's Report

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Brightside Child and Family Advocacy, Inc. (the Organization), formerly known as Savannah/Chatham County Court Appointed Special Advocates, Inc., was incorporated in 1993 by the State of Georgia as a nonprofit organization. The Organization’s mission is to provide services to prevent child abuse and neglect by strengthening and supporting healthy family relationships. The Organization recruits and trains volunteers to advocate for the best interests of children who have experienced abuse and neglect. 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:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions – 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 or remain permanently.

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 all highly liquid investments with an initial maturity of three months or less.

Receivables – Receivables consist principally of amounts due from grantor agencies for reimbursable costs and pledged event sponsorships from various corporate and individual patrons. Management considers all grant receivables to be fully collectible, however, sponsorship receivables are subject to some degree of uncertainty and therefore management has recorded an allowance for credit losses in the amount of \$6,100 for the year ending September 30, 2024.

Advertising – The Organization charges the cost of advertising to expense as incurred.

Property and Equipment – Property and equipment are stated at acquisition cost, or if donated, at the approximate fair value at the date of donation if the asset has a useful life of three years or more and a value that exceeds \$1,000. Property and Equipment purchased with grant funds follow the grantor’s required capitalization policy. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets which range from five to seven years.

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

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

Revenue Recognition – The Organization receives contributions to support operating and program activities. Conditional gifts, with a measurable performance or other barrier to the right of receipt, are not recognized until the conditions on which they depend are substantially met. The Organization also receives grant and contract funding to provide program services to the public. These grants and contracts are nonreciprocal transactions and include conditions stipulated by the government agencies. These transactions are accounted for as conditional contributions and revenue is recognized as the conditions are satisfied, primarily as expenses are incurred.

Restricted and Unrestricted Support – Support that is restricted by the donor is reported as an increase in net assets without donor restrictions 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 net assets with donor restrictions until the restriction is satisfied.

Comparative and Summarized Financial Information – The financial statements include certain prior year comparative and summarized financial information. Such information does not include enough detail to constitute a complete comparative presentation under generally accepted accounting principles. Certain amounts in the prior year's financial statements have been summarized and reclassified to conform to the current year's presentation.

In-Kind Contributions – Contributed goods and services are recognized as contribution revenue if the amounts received create or enhance long-lived assets or require specialized skills and would typically need to be purchased if not provided by donation. Donated assets are either utilized within the various programs, or monetized if there is not a foreseeable need or use for the item. In-kind contributions are recorded separately on the statement of activities.

NOTE 2 – NEW ACCOUNTING PRONOUNCEMENT

In February 2016, FASB issued ASU 2016-02, Leases (Topic 842), which requires the recognition of right of use lease assets and right of use lease liabilities on the statement of financial position for operating leases that meet certain criteria. This new reporting standard applies to leases with a lease term greater than twelve months. Leases with a lease term of twelve months or less will continue to be accounted for as equipment or property rental on the statement of activities. The Organization adopted this standard for the fiscal year beginning October 1, 2022 using the modified retrospective basis, utilizing all available practical expedients.

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment are summarized as follows:

	September 30	
	2024	2023
Property and Equipment	\$ 49,794	\$ 45,432
Less Accumulated Depreciation	<u>(20,732)</u>	<u>(13,403)</u>
	<u>\$ 29,062</u>	<u>\$ 32,029</u>

Depreciation expense for the years ended September 31, 2024 and 2023 was \$7,329 and \$6,996 respectively.

NOTE 4 – LEASE COMMITMENTS AND OFFICE SPACE AGREEMENT

The Organization leases space at two locations as well as office equipment. The Organization has recorded right of use lease assets and liabilities for the leases whose terms extend beyond twelve months, at the net present value of the future minimum lease payments discounted at the incremental borrowing rate of 3%. The right of use asset is then amortized annually over the life of the lease and the discount rate is recorded as interest expense. Interest expense of \$1,403 and \$584 is included in miscellaneous expense on the statement of functional expense for the years ended September 30, 2024 and 2023, respectively.

Future minimum payments under these leasing agreements are as follows:

For the Years Ending September 30:

2025	\$ 28,861
2026	27,841
2027	<u>22,333</u>
	<u>\$ 79,035</u>

The Organization also has a memorandum of understanding (MOU) with Chatham County Department of Family and Children Services (DFCS) whereby DFCS allows the Organization to utilize office space in their building in exchange for support services. The agreement terminated and is continuing under an optional renewal period of two years.

NOTE 5 – FUNCTIONAL ALLOCATION OF EXPENSES

The natural classification of expenses has been allocated according to their function as either a program expense, a support expense, or a fundraising expense on the accompanying statement of functional expense.

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

NOTE 6 – CONCENTRATIONS AND RISKS

The Organization receives over one half of its funding from grants and government contracts, and as such, economic impacts could jeopardize funding. These grant awards from federal, state, and local governmental entities are also subject to special audit or program monitoring. Such audits could result in claims against the Organization for disallowed costs for noncompliance with award restrictions.

The Organization maintains cash balances in one financial institution located in Savannah, Georgia. The FDIC insures balances of up to \$250,000 per depositor. There were no uninsured balances held at September 30, 2024 or 2023.

NOTE 7 – 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 \$7,000 for the year ending September 31, 2024, and \$18,000 for the year ending September 31, 2023.

NOTE 8 – RETIREMENT PLAN

The Organization sponsors a Simple IRA plan which covers all employees meeting certain eligibility requirements. The Organization matches up to 3% of the compensation of participating employees. The cost of this plan was \$18,150 for the year ending September 30, 2024 and \$15,932 for the year ending September 30, 2023.

NOTE 9 – LIQUIDITY

Financial assets available to meet cash requirements for the next twelve months, that are without donor or other restrictions limiting their use, totaled \$389,756 at September 30, 2024.

NOTE 10 – 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 2021 through 2023 remain open for examination by taxing authorities.

BRIGHTSIDE CHILD AND FAMILY ADVOCACY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

NOTE 11 – MANAGEMENT’S REVIEW OF SUBSEQUENT EVENTS

Per Management’s review of subsequent events for the period October 1, 2024 through January 13, 2025, there are no other events that should be recognized in these financial statements or disclosed in the notes. January 13, 2025 is the issuance date of these financial statements.