# CHILDREN'S ADVOCACY CENTER FOR THE 31ST JUDICIAL DISTRICT, INC.

## FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

**Year ended June 30, 2021**

No Assurance is provided on these financial statements.

## >>>>>>>>>>>CONTENTS<<<<<<<<<<<


**Financial Statements**

- **Statement of Financial Position** ........ **3**
- **Statement of Activities and Changes in Net Assets** ........ **4**
- **Statement of Functional Expenses** ........ **5**
- **Statement of Cash Flows** ........ **6**
- **Notes to Financial Statements** ........ **7**

**Supplementary Information**

- **Schedule of Officers and Directors** ........ **11**


No Assurance is provided on these financial statements.

CHILDREN'S ADVOCACY CENTER FOR THE 31ST JUDICIAL DISTRICT, INC.

## STATEMENT OF FINANCIAL POSITION

June 30, 2021

### ASSETS

| | | | |
|---|---|---|---|
| **CURRENT ASSETS** | | | |
| Cash - unrestricted | | $ | 56,113 |
| Certificate of Deposit | | | 85,118 |
| Grants and other receivables | | | 22,144 |
| Interest receivable | | | 160 |
| TOTAL CURRENT ASSETS | | | 163,535 |
| **PROPERTY AND EQUIPMENT** | | | |
| Land | 96,599 | | |
| Building | 259,459 | | |
| Furniture and fixtures | 44,138 | | |
| | 400,196 | | |
| Less accumulated depreciation | 106,875 | | 293,321 |
| **OTHER ASSET** | | | |
| Utility deposit | | | 50 |
| | | | 456,906 |

### LIABILITIES AND NET ASSETS

| | | | |
|---|---|---|---|
| **CURRENT LIABILITIES** | | | |
| Accounts payable | | | 2,218 |
| Accrued payroll taxes | | | 5,810 |
| Accrued payroll | | | 3,765 |
| Accrued interest | | | 61 |
| Current portion of long term debt | | | 5,688 |
| TOTAL CURRENT LIABILITIES | | | 17,542 |
| **LONG-TERM DEBT** | | | |
| Note payable | 111,754 | | |
| Less amount shown as current | 5,688 | | 106,066 |
| TOTAL LIABILITIES | | | 123,608 |
| **NET ASSETS** | | | |
| Without donor restrictions | | | 333,298 |
| | | $ | 456,906 |

No Assurance is provided on these financial statements.

CHILDREN'S ADVOCACY CENTER FOR THE 31ST JUDICIAL DISTRICT, INC.

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended June 30, 2021

| | | Without donor restrictions |
|---|---|---|
| Revenues and other support: | | |
| Fundraising events (net of expenses of $ 3,450) | $ | 10,720 |
| Governmental grant income | | 94,000 |
| Contributions | | 61,665 |
| Victims assistance assessment | | 33,604 |
| Interest income | | 950 |
| Miscellaneous | | 293 |
| Total Revenue | | 201,232 |
| Expenses: | | |
| Program services: | | |
| Children's services | | 147,236 |
| Support services - | | |
| Management and general | | 62,241 |
| Total Expenses | | 209,477 |
| Excess (Deficiency) of Revenues over Expenses | | (8,245) |
| Net assets at July 1, 2020 | | 341,543 |
| Net assets at June 30, 2021 | $ | 333,298 |

Depreciation of property and equipment for the year amounted to $ 9,987

Interest incurred during the year charged to expense was $ 4,747, none was capitalized.

No Assurance is provided on these financial statements.

CHILDREN'S ADVOCACY CENTER FOR THE 31ST JUDICIAL DISTRICT, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2021

| | Program Service | Support Services | |
|---|---|---|---|
| | Children's Services | Management and General | Total Expenses |
| Salaries | $ 86,660 | $ 38,728 | $ 125,388 |
| Payroll taxes | 6,629 | 2,534 | 9,163 |
| Dues, licenses, and subscriptions | 4,909 | | 4,909 |
| Professional services | 5,748 | 3,650 | 9,398 |
| Travel and conferences | 1,856 | | 1,856 |
| Maintenance | 4,050 | 1,013 | 5,063 |
| Utilities | 4,355 | 1,089 | 5,444 |
| Insurance | 12,498 | 4,166 | 16,664 |
| Depreciation | 7,990 | 1,997 | 9,987 |
| Interest | | 4,747 | 4,747 |
| Telephone | 4,699 | | 4,699 |
| Supplies | 7,842 | 871 | 8,713 |
| Postage | | 812 | 812 |
| Contract labor | | 1,950 | 1,950 |
| Miscellaneous | | 684 | 684 |
| TOTAL | $ 147,236 | $ 62,241 | $ 209,477 |

No Assurance is provided on these financial statements.

CHILDREN'S ADVOCACY CENTER FOR THE 31ST JUDICIAL DISTRICT, INC.

## STATEMENT OF CASH FLOWS

Year ended June 30, 2021

| | | | | |
|---|---|---|---|---|
| Cash flows from operating actvities: | | | | |
| Net decrease in net assets | | | $ | (8,245) |
| Adjustments to reconcile net increase in unrestricted net assets to net cash provided by operating activities: | | | | |
| Depreciation | $ | 9,987 | | |
| (Increase) Decrease in operating assets: | | | | |
| Grants and other receivables | | (7,935) | | |
| Prepaid expenses | | 2,347 | | |
| Increase ( Decrease) in operating liabilities: | | | | |
| Accounts payable | | (1,149) | | |
| Accrued taxes | | 3,462 | | |
| Accrued interest | | (321) | | |
| Accrued expenses | | (1,360) | | |
| Total adjustments | | | | 5,031 |
| NET CASH USED BY OPERATING ACTIVITIES | | | | (3,214) |
| Cash flows from investing activities: | | | | |
| Interest added to certificate of deposit | | | | (1,427) |
| Cash flows from financing activities: | | | | |
| Payments on note payable | | | | (5,627) |
| NET DECREASE (DECREASE) IN CASH | | | | (10,268) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | | | | 66,381 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | | $ | 56,113 |

Cash paid for interest during the year amounted to $ 5,068, none was capitalized.

No Assurance is provided on these financial statements.

## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Nature of Activities

The Children's Advocacy Center for the 31st Judicial District, Inc. serves to provide a comprehensive and humane response for children and families victimized by child sexual and physical abuse in its various forms in McMinnville, Tennessee and the surrounding area. The organization provides evaluation, intervention, evidence gathering, and victim advocacy for children and their non-offending family members. They also bring education and awareness of abuse to the community through school programs and civic club and other organization presentations. The Center is funded primarily through federal and state government grants.

### Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when they are incurred.

### Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with an initial maturity of three months or less. Fair value approximates carrying amounts.

### Fixed Assets

Expenditures for property and equipment are capitalized at cost. Donated assets are capitalized at their fair market value on the date of gift. Depreciation is computed on the straight line method over the estimated useful lives of the assets. Items costing less than $500 are expensed rather than capitalized.

### Tax Status

The Center is a nonprofit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore has made no provision for federal income taxes in the accompanying financial statements. The Center is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. We have determined that the Center is not subject to unrelated business income tax and, accordingly, we have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

### 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.

### Donated Services

The Center receives a significant amount of donated services from members of the Board of Directors. No amounts have been recognized in the accompanying statement of support, revenue, and expenses - cash basis because the criteria for recognition of such volunteer effort has not been satisfied.

### Advertising

It is the Center's policy to expense advertising as incurred.

### Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net assets without donor restrictions*

Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

*Net assets with donor restrictions*

Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

### Revenue Recognition

The Center recognizes revenue when it is received in accordance with the accrual basis of accounting. Its revenue transactions contain a single performance element and revenue is recognized at a single point in time when the activities have been performed or the program provided. Grant income is also recognized when received and meets the requirements for recognition as contribution income without donor restrictions.

## NOTE B - ADVERTISING COSTS

The advertising costs incurred by the Association amounted to $ 0 for the year, none of which was capitalized.

## NOTE C - CERTIFICATE OF DEPOSIT

The Center has a certificates of deposit which matures December 16, 2021. The interest rate on this certificate is .35%.

## NOTE D - CONCENTRATION OF CREDIT RISK

The Organization maintains its cash balances at four financial institutions located in McMinnville, Tennessee. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $ 250,000.

## NOTE E - NOTES PAYABLE

| Due Date | Amount | Interest Rate |
|---|---|---|
| LONG-TERM DEBT | | |
| $ 838 monthly including interest | $ 111,754 | 4.00% |

The above amount is payable to Homeland Community Bank and is collateralized by a building with a net book value of $ 285,298.

Long-term debt matures as follows:

| Year ended June 30, | | |
|---|---|---|
| 2021 | | $ 6,036 |
| 2022 | | 6,298 |
| 2023 | | 6,571 |
| 2024 | | 6,855 |
| 2025 | | 7,152 |
| Beyond five years | | 84,469 |
| | TOTAL | $ 117,381 |

## NOTE F - FUNDRAISING

Fundraising events consists primarily of revenues and expenses associated with a gala which was the Organization's primary fundraiser. Total revenue and expenses associated with fundraising activities totaled to $ 14,170 and $ 3,450 respectively.

## NOTE G - SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 17, 2021 the date on which the financial statements were available to be issued.