

**CHILDREN'S BEREAVEMENT CENTER, INC.**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

# **CHILDREN'S BEREAVEMENT CENTER, INC.**

YEARS ENDED JUNE 30, 2024 AND 2023

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Children's Bereavement Center, Inc.

### **Opinion**

We have audited the accompanying financial statements of Children's Bereavement Center, Inc. (a not-for-profit organization), which comprise the statements of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the years 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 Children's Bereavement Center, Inc. as of June 30, 2024, statements of activities, functional expenses and its cash flows for the years 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 Children's Bereavement Center, 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 Children's Bereavement Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **INDEPENDENT AUDITOR'S REPORT** (Continued)

### **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 Children's Bereavement Center, 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 Children's Bereavement Center, 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.

**INDEPENDENT AUDITOR'S REPORT** (Continued)

**Prior Period Financial Statements**

The financial statements of Children's Bereavement Center, Inc., of June 30, 2023 were audited by other auditors whose report dated December 6, 2023 expressed an unmodified opinion on those statements.

**Restriction on Use**

Our report is intended solely for the information and use of the board of directors, the management of the organization and the specific donors requiring these audited financial statements and is not intended to be and should not be used by anyone other than these specified parties.

*KSDT CPA*

Weston, Florida  
November 13, 2024

# CHILDREN'S BEREAVEMENT CENTER, INC.

## STATEMENTS OF FINANCIAL POSITION

AS OF JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 996,675	\$ 957,499
Grants and other receivables	116,082	5,000
Prepaid expenses	<u>2,127</u>	<u>-</u>
TOTAL CURRENT ASSETS	1,114,884	962,499
<b>INVESTMENTS</b>	<u>746,858</u>	<u>701,226</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,861,742</u>	<u>\$ 1,663,725</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 38,211	\$ 35,316
Deferred revenue	<u>125,632</u>	<u>123,579</u>
TOTAL CURRENT LIABILITIES	163,843	158,895
<b>NET ASSETS</b>		
Without donor restrictions		
Available for use	951,041	803,604
Board-designated endowment	<u>746,858</u>	<u>701,226</u>
<b>TOTAL NET ASSETS</b>	<u>1,697,899</u>	<u>1,504,830</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,861,742</u>	<u>\$ 1,663,725</u>

The accompanying notes are an integral part of these financial statements.

# CHILDREN'S BEREAVEMENT CENTER, INC.

## STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2024 AND 2023

	Without Donor Restrictions	
	<u>2024</u>	<u>2023</u>
<b>PUBLIC SUPPORT</b>		
Grants - Local	\$ 629,146	\$ 502,471
United Way	35,000	18,280
Contributions and gifts	143,126	140,684
Program income	10,133	112,622
In-kind services	13,020	22,240
Special events (net of direct costs of \$71,787)	358,463	397,180
Interest and dividend income	<u>57,506</u>	<u>16,546</u>
<b>TOTAL PUBLIC SUPPORT</b>	<u>1,246,394</u>	<u>1,210,023</u>
<b>FUNCTIONAL EXPENSES</b>		
Program services	773,348	739,594
Management and general	137,092	142,863
Fundraising	<u>217,310</u>	<u>258,721</u>
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>1,127,750</u>	<u>1,141,178</u>
<b>EXCESS OF PUBLIC SUPPORT OVER EXPENSES</b>	118,644	68,845
<b>OTHER CHANGES IN NET ASSETS</b>		
Investment returns, net	74,425	10,785
Employee retention credit funds	<u>-</u>	<u>90,561</u>
	74,425	101,346
<b>CHANGES IN NET ASSETS</b>	193,069	170,191
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>1,504,830</u>	<u>1,334,639</u>
<b>NETS ASSETS - END OF YEAR</b>	<u>\$ 1,697,899</u>	<u>\$ 1,504,830</u>

The accompanying notes are an integral part of these financial statements.

# CHILDREN'S BEREAVEMENT CENTER, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2024 AND 2023

	Program Services	Management and General	Fundraising	Totals	
				2024	2023
Salaries and wages	\$ 299,948	\$ 60,475	\$ 109,883	\$ 470,306	\$ 539,417
Contract labor	298,459	1,123	78,500	378,082	214,749
Payroll taxes and employee benefits	58,224	19,796	20,825	98,845	85,616
Marketing and development	49,526	-	3,414	52,940	50,419
Professional and consulting	13,556	24,404	-	37,960	151,345
Insurance	280	23,295	-	23,575	21,286
Office supplies and expenses	12,246	5,748	2,167	20,161	27,072
Rent	12,016	2,019	2,403	16,438	13,530
In-kind services and other	13,018	-	-	13,018	22,240
Travel and meals	9,025	232	118	9,375	8,422
Program supplies	3,507	-	-	3,507	3,972
Training	3,496	-	-	3,496	3,110
Advertising	\$ 47	\$ -	\$ -	\$ 47	\$ -
TOTAL FUNCTIONAL EXPENSES	<u>\$ 773,348</u>	<u>\$ 137,092</u>	<u>\$ 217,310</u>	<u>\$ 1,127,750</u>	<u>\$ 1,141,178</u>

The accompanying notes are an integral part of these financial statements.



# CHILDREN'S BEREAVEMENT CENTER, INC.

## STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 193,069	\$ 170,191
Adjustments to reconcile net assets to net cash provided by operating activities:		
Realized gain on investments net of fees	(23,546)	-
Unrealized gain on investments	(72,547)	(10,785)
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Grants and other receivables	(111,082)	46,000
Prepaid expenses	(2,127)	1,879
(Increase) decrease in liabilities:		
Deferred revenue	2,053	27,248
Accounts payable and accrued liabilities	<u>2,895</u>	<u>26,712</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(11,285)</u>	<u>261,245</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of investments	(706,177)	(1,271,891)
Reinvestment of net proceeds from sale of investments	766,449	808,120
Dividends received reinvested	<u>(9,811)</u>	<u>(1,822)</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>50,461</u>	<u>(465,593)</u>
<b>NET CHANGE IN CASH</b>	39,176	(204,348)
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	<u>957,499</u>	<u>1,161,847</u>
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<u>\$ 996,675</u>	<u>\$ 957,499</u>

The accompanying notes are an integral part of these financial statements.

# CHILDREN'S BEREAVEMENT CENTER, INC.

## NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

### NOTE 1. ORGANIZATION AND PURPOSE

Children's Bereavement Center, Inc. (the "Organization") is a not-for-profit organization located in Miami, Florida that has provided free grief support groups for children, teens and adults for over 20 years. They have grief support groups for bereaved children, adults, and families in Miami-Dade, Broward, and Palm Beach Counties. The goal at the Children's Bereavement Center (CBC) is to enable children and families to acknowledge change, adjust and integrate loss with healthful grief and mourning.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Basis of Financial Statements Presentation*

The financial statements of the Organization have been prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP"), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There were no such assets as of June 30, 2024 and 2023.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

#### *Use of Estimates*

In preparing the financial statements of the Organization, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the statement of financial position date, and the revenues and expenses for the period then ended. Actual results could differ from those estimates. A description of some of the estimates used in the preparation of the financial statements is included in the following significant accounting policies.

# CHILDREN'S BEREAVEMENT CENTER, INC.

## NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Fair Value Measurements*

Fair value measurements establish a hierarchy to prioritize the computation of fair value. Such hierarchy consist of a) valuations based on unadjusted quoted prices in active markets for identical assets or liabilities (Level 1), b) valuations based on observable unadjusted quoted prices for similar assets and liabilities in active markets (Level 2), and c) valuations based on inputs that are unobservable and are supported by little or no market activity, therefore, requiring management's best estimate of what market participants would use as fair value (Level 3).

#### *Cash and Cash Equivalents*

The Organization considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

#### *Grants Receivable*

The Organization considers the grants receivable to be collectible; accordingly, no allowance for doubtful accounts is required. When amounts are determined to be uncollectible, they are charged to operations.

#### *Property and Equipment*

Property and equipment is recorded at cost when purchased or constructed, or at market value when donated. The Organization capitalizes all expenditures in excess of \$1,000 for property and equipment at cost. Donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Expenditures for major renewals and betterment that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. As of June 30, 2024 and 2023, all property and equipment were fully depreciated.

#### *Impairment*

Long-lived assets are reviewed for impairment when circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying value is impaired, the long-lived assets will be written down to their fair market value with a corresponding charge to earnings. No such impairment was recorded for the years ended June 30, 2024 and 2023.

# CHILDREN'S BEREAVEMENT CENTER, INC.

## NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Investments*

Investments include holdings in exchange-traded funds and mutual funds and are classified as available-for-sale.

Investments are carried at fair value on the statement of financial position, with the change in fair value during the period included in earnings. These investments' fair value is determined using Level 1 inputs when available, such as the bid-and-asked prices publicly reported as of the date of the financial statements. Level 1 input generally provides the most reliable evidence of fair value.

Realized gains and losses are determined from the proceeds from the sale in excess of related costs. Investment transactions are recognized on a trade date basis. Interest income is recognized when earned and dividend income is recognized on the ex-dividend date. Interest and dividend income is included in dividend income in the accompanying statements of activities.

The preceding methods may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future values. While management believes their valuation methods are appropriate and consistent with other market participants, the use of different methodologies to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date and these differences could be material.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with these securities.

#### *Donated Services*

Donated services are reflected in the accompanying statement of activities at their fair value. Donated services are reflected provided that they create or enhance non-financial assets or require specialized skills and would typically be purchased if not provided by donation as required for recognition under general accepted accounting principles (see Note 7).

#### *Revenue Recognition*

##### Contributions and Gifts

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

# CHILDREN'S BEREAVEMENT CENTER, INC.

## NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Revenue Recognition* (Continued)

##### Grants

Grant revenues are recognized in the period expenditures are incurred in compliance with the terms of the grants.

##### Program fees

Program fees are recognized on a straight-line basis over the term of the engagement.

#### *Functional Allocation of Expenses*

The costs of providing various programs and supporting activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated among the various functional areas based on the full-time employee equivalent.

#### *Deferred Revenue*

Contract liabilities represent revenues collected but not earned as of June 30, 2024 and 2023. This is primarily composed of grant funding for expenses that will be incurred in a subsequent period.

#### *Measurement of Operations*

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing program services and interest and dividends earned on investments. Non-operating activities are limited to resources that generate returns from investments and other activities considered to be of a more unusual or nonrecurring nature.

#### *Income Taxes*

The Organization is organized as a not-for-profit entity and is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Unrelated business income, of which the Organization had none for the year ended June 30, 2024, would be subject to federal income taxes. The Organization's information returns filed with the Internal Revenue Service have not been examined in the past. The Organization is not aware of any uncertainties that could jeopardize its not-for-profit status. Therefore, no provision or liability for income taxes is deemed necessary.

# CHILDREN'S BEREAVEMENT CENTER, INC.

## NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Income Taxes* (Continued)

The Organization follows the provisions of uncertain tax provisions addressed by ASC 740-10 Accounting for Uncertainty in Income Taxes. The Organization has no uncertain tax positions as of June 30, 2024, for which the ultimate deductibility is highly certain but for which there are uncertainties about the timing of such deductibility. The Organization recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expense. The Organization has determined that no amount is required to be accrued for taxes or related penalties and interest for any tax position taken through June 30, 2024.

#### *New Accounting Pronouncement*

FASB Accounting Standard Codification ("ASC") 842, Leases, requires leases to be capitalized as a right to use asset with a corresponding liability for leases with terms of more than twelve months. The Organization does not have any leases with an initial term of 12 months or more, therefore, none have been included in the statement of financial position (see Note 4).

### NOTE 3. INVESTMENTS

Investments as of June 30, 2024 and 2023, as set forth by levels within the fair value hierarchy, consists of the following:

	2024	2023
	Fair Value	Fair Value
	Level 1	Level 1
Stocks	\$ 436,614	\$ -
Fixed income	241,379	212,211
Exchange-traded funds	41,764	27,301
Real estate investment trusts	18,114	-
Mutual funds	8,987	461,714
	<u>\$ 746,858</u>	<u>\$ 701,226</u>

### NOTE 4. COMMITMENTS

The Organization has leases for storage space and post office mailbox, however, they are on a month-to-month basis. Rental expenses for the years ended June 30, 2024 and 2023 amounted to \$16,438 and \$13,530, respectively on the statements of functional expenses.

# **CHILDREN'S BEREAVEMENT CENTER, INC.**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2024 AND 2023**

### **NOTE 5. CREDIT RISK**

At times during the year, the Organization's cash balances were in excess of the federal insured limit of \$250,000. As of June 30, 2024 and 2023, the Organization's uninsured cash balances approximated \$237,000 and \$150,000, respectively. However, the Organization maintains its cash with a high-quality financial institution, which the Organization believes limits these risks.

### **NOTE 6. BUSINESS AND CREDIT CONCENTRATION**

The Organization's services are substantially paid for by local grants. For the years ended June 30, 2024 and 2023, the Organization's revenues derived from grants approximately 53% and 44%, respectively of total revenues and contributions, net of donated services, for each respective year.

### **NOTE 7. IN-KIND SERVICES**

In-kind services reflected as direct program and fundraising costs in the accompanying statement of functional expenses include the fair market value of volunteer hours, services and supplies for items required to operate the specific functions of the Organization. The in-kind support received by the Organization consists of salaries and program supplies. The total amount of goods and services received for the years ending June 30, 2024 and 2023, was \$13,018 and \$22,240, respectively on the statements of functional expenses.

### **NOTE 8. BOARD DESIGNATED ENDOWMENT**

During the year ended June 30, 2014, the Organization's board of directors established an endowment fund. The Organization's endowment fund consists of investments in exchange-traded funds, mutual funds and money market funds. The funds have been designated by the board of directors to be permanent in nature and employ a long-term approach in the investment of the funds. The use of the endowment funds may be altered at the discretion of the finance committee of the board of directors, and as a result, the endowment fund has been classified within without donor restricted net assets. There were no donor-restricted gifts included in the endowment fund for the years ending June 30, 2024 and 2023.

The endowment fund is intended to maintain the purchasing power of the fund's assets over time by keeping the long-term rate of annual spending from these assets equal to or less than the long-term real (inflation-adjusted) investment return for the assets and to provide for the operating needs of the Organization. The primary goal of the endowment fund is the growth of the corpus to support spending needs while preserving purchasing power in real terms and minimizing year-to-year fluctuations in the value of the portfolio.

# CHILDREN'S BEREAVEMENT CENTER, INC.

## NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

### NOTE 8. BOARD DESIGNATED ENDOWMENT (Continued)

The following summarizes the activity of the endowment fund for the years ended June 30, 2024 and 2023:

	With Donor Restrictions Board Designated	
	2024	2023
Beginning balance	\$ 701,226	\$ 224,848
Purchase of securities	706,177	1,271,891
Sale of securities	(766,449)	(808,120)
Realized gains	23,546	-
Unrealized gains	72,547	10,785
Expenses	9,811	1,822
	<u>\$ 746,858</u>	<u>\$ 701,226</u>

### NOTE 9. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of June 30, 2024 and 2023, reduced by the amounts not available for general use within one year of the statement of financial position date due to contractual or donor-imposed restrictions or internal designations.

	2024	2023
Financial assets at year end:		
Cash and cash equivalents	\$ 996,675	\$ 957,499
Grants and other receivables	116,082	5,000
Total financial assets	<u>1,112,757</u>	<u>962,499</u>
Less: donor restrictions for specific purposes:		
Donor restricted assets	<u>-</u>	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,112,757</u>	<u>\$ 962,499</u>



**CHILDREN'S BEREAVEMENT CENTER, INC.**

NOTES TO THE FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

**NOTE 10. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through November 13, 2024, which is the date the financial statements were available to be issued.