

Resilient Georgia, Inc.
Audited Financial Statements
For the Years Ended
December 31, 2023, and 2022

Resilient Georgia, Inc.

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Independent Auditor's Report

**To the Board of Directors
Resilient Georgia, Inc.**

Opinion

We have audited the accompanying financial statements of Resilient Georgia, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023, and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Resilient Georgia, Inc. as of December 31, 2023, and 2022, and the results of its operations assets 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 audits in accordance with the auditing standards generally accepted in the United States of America (GAAS). 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 Resilient Georgia, 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.

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, 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 Resilient Georgia, 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 not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with Generally Accepted Auditing Standards (GAAS) 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 judgement made by a reasonable user based on the financial statements.



In performing an audit in accordance with GAAS, 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 Resilient Georgia, Inc. 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 Resilient Georgia, 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.

Forsyth Holtzman & Associates, LLC

Forsyth Holtzman & Associates, LLC
Kennesaw, Georgia
November 12, 2024

Resilient Georgia, Inc.
Statements of Financial Position
December 31, 2023, and 2022

ASSETS		
	<u>2023</u>	<u>2022</u>
Current Assets		
Cash	\$ 991,543	\$ 581,295
Accounts Receivable	51,115	65,670
Prepaid Expenses	<u>-</u>	<u>64,757</u>
Total Current Assets	<u>1,042,658</u>	<u>711,722</u>
Property & Equipment		
Furniture and Equipment	9,414	4,138
Accumulated Depreciation	<u>(3,638)</u>	<u>(2,685)</u>
Net Property & Equipment	<u>5,776</u>	<u>1,453</u>
Total Assets	<u>\$ 1,048,434</u>	<u>\$ 713,175</u>
LIABILITIES and NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 17,421	\$ 36,087
Refundable advances	440,000	300,000
Deferred revenue	<u>33,333</u>	<u>26,800</u>
Total Current Liabilities	<u>490,754</u>	<u>362,887</u>
Total Liabilities	<u>490,754</u>	<u>362,887</u>
NET ASSETS		
Without donor restrictions	512,174	265,959
With donor restrictions	<u>45,506</u>	<u>84,329</u>
Total Net Assets	<u>557,680</u>	<u>350,288</u>
Total Liabilities & Net Assets	<u>\$ 1,048,434</u>	<u>\$ 713,175</u>

See accompanying notes and independent auditor's report.

Resilient Georgia, Inc.
Statements of Activity and Changes in Net Assets
For the Years Ended December 31, 2023, and 2022

	<u>2023</u>	<u>2022</u>
Net Assets Without Donor Restrictions		
Revenue and Support		
Contributions	\$ 781,249	\$ 444,000
Management income	<u>118,467</u>	<u>58,200</u>
	899,716	502,200
Net assets released from restriction		
Expiration of time restrictions	-	222,000
Restrictions satisfied by grant guidelines	<u>752,511</u>	<u>194,095</u>
	<u>1,652,227</u>	<u>918,295</u>
Expenses		
Program Services	<u>753,527</u>	<u>462,919</u>
Supporting Services		
Management and general	<u>629,985</u>	<u>382,541</u>
Fundraising	<u>22,500</u>	<u>13,640</u>
Total Supporting services	<u>652,485</u>	<u>396,181</u>
Total Expenses	<u>1,406,012</u>	<u>859,100</u>
Net Increase in Net Assets Without Donor Restrictions	<u>246,215</u>	<u>59,195</u>
Net Assets With Donor Restrictions		
Contributions	<u>580,739</u>	<u>357,000</u>
Government grants	<u>132,949</u>	<u>143,424</u>
Net Assets Released	<u>(752,511)</u>	<u>(416,095)</u>
Net Increase (Decrease) in Net Assets With Donor Restrictions	<u>(38,823)</u>	<u>84,329</u>
Increase in Net Assets	<u>207,392</u>	<u>143,524</u>
Net Assets, Beginning of Year	<u>350,288</u>	<u>206,764</u>
Net Assets, End of Year	<u><u>\$ 557,680</u></u>	<u><u>\$ 350,288</u></u>

See accompanying notes and independent auditor's report.

Resilient Georgia, Inc.
Statements of Functional Expenses
For the Years Ended December 31, 2023, and 2022

	2023			2022		
	Program Services	Support Services- Management & General		Program Services	Support Services- Management & General	
		2023 Total	2023 Total		2022 Total	2022 Total
General and administrative	\$ -	\$ 20,786	\$ 20,786	\$ -	\$ 20,573	\$ 20,573
Marketing and advertising	-	37,725	37,725	120	11,946	12,066
Dues and subscriptions	600	29,410	30,010	2,059	12,650	14,709
Professional fees	20,856	277,082	297,938	11,073	99,657	110,730
Travel and meetings	10,891	32,673	43,564	3,890	17,720	21,610
Salaries	246,563	164,376	410,939	134,715	75,777	210,492
Payroll taxes and benefits	54,950	36,634	91,584	27,263	15,335	42,598
Computer expenses	-	8,464	8,464	-	4,347	4,347
Bank service fees	-	764	764	-	1,012	1,012
Depreciation	-	953	953	-	400	400
Communications	-	625	625	6,883	27,530	34,413
Conference sponsorships	-	8,339	8,339	8,519	2,545	11,064
Education and training	322,805	-	322,805	133,555	1,349	134,904
General consulting	96,862	-	96,862	21,580	13,226	34,806
Programmatic	-	-	-	6,491	2,524	9,015
Research	-	-	-	64,456	41,140	105,596
Strategy and evaluation	-	-	-	39,342	26,228	65,570
Other program expense	-	6,582	6,582	2,973	2,336	5,309
Other expenses	-	5,572	5,572	-	6,246	6,246
Fundraising	-	22,500	22,500	-	13,640	13,640
Total expenses	\$ 753,527	\$ 652,485	\$ 1,406,012	\$ 462,919	\$ 396,181	\$ 859,100

See accompanying notes and independent auditor's report.

Resilient Georgia, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2023, and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from Operating Expenses		
Increase in net assets	\$ 207,392	\$ 143,524
Adjustments to reconcile Net Assets to net cash provided (used) in Operating Activities		
Depreciation	953	400
(Increase)decrease in operating assets		
Accounts receivable	14,555	(29,388)
Prepaid expenses	64,757	(64,757)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	(18,666)	20,048
Refundable advances	140,000	300,000
Deferred revenue	6,533	26,800
Net cash provided by Operating Activities	<u>415,524</u>	<u>396,627</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	<u>(5,276)</u>	<u>(929)</u>
Net cash used by Investing Activities	<u>(5,276)</u>	<u>-</u>
Cash Flows from Financing Activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	410,248	395,698
Cash and cash equivalents at beginning of year	<u>581,295</u>	<u>185,597</u>
Cash and cash equivalents at end of year	<u>\$ 991,543</u>	<u>\$ 581,295</u>

See accompanying notes and independent auditor's report.

Resilient Georgia, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023, 2022

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Resilient Georgia, Inc., (“the Organization”) hereafter, is a nonprofit organization formed on February 21, 2019. The organization is organized as a domestic non-profit corporation under the laws in the State of Georgia. The specific purpose of the Organization is to lead a state-wide coalition to develop a closely aligned and trauma-informed public and private network working towards a united vision to create a birth through 26-year-old integrated behavioral health system. Key components to be implemented by the Organization’s partners include prevention, early intervention, research, advocacy and policy, and System of Care implementation and coordination. Every child and young adult in Georgia will have access to high-quality integrated behavioral health services and support, empowered by a statewide network of trauma-informed organizations working together to prevent and heal childhood adversity.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles, which require the use of management’s estimates. Net assets, revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Costs and expenses are recognized during the period in which they are incurred.

Financial Statement Presentation

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (U.S. 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 expensed 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 board of directors.

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor-imposed restrictions are temporary in nature; those restrictions will be met by the passage of time or by actions of the actions of the Organization. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates the resources be maintained in perpetuity. There were no such restricted donations or assets in 2023, and 2022.

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 statement of activities.

Resilient Georgia, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023, 2022

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consists of those items attributable to the Organization's ongoing services.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Accounts Receivable

Accounts receivables are recorded net of an allowance for doubtful accounts. The estimated losses are based upon historical collection experience. Accounts are considered delinquent if they are outstanding past their original due date. Account receivables are charged off when, according to management's judgement, the likelihood of collection is remote.

Property and Equipment

Property and equipment acquisitions are recorded at cost, estimated cost, or if donated, at fair market value on the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable assets and computed using the straight-line method. The cost of assets sold, retired, or otherwise disposed of, and the related allowance for depreciation, are eliminated from the accounts, and any resulting gain or loss is recognized.

The carrying values of property and equipment is reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flow expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended December 31, 2023, and 2022.

Depreciation expense for the years ended December 31, 2023, and 2022, totaled \$953 and \$400, respectively.

Resilient Georgia, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023, 2022

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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, and those differences could be material.

Advertising/Marketing

Costs incurred for advertising are expensed when incurred. The Organization incurred marketing and advertising expenses for public relations and marketing in the amounts of \$37,725 and \$12,066 for the years ended December 31, 2023, and 2022, respectively.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, there is no provision for income taxes. The Organization is not aware of any activities that would jeopardize its tax-exempt status. Donors may deduct contributions to the Organization as provided by the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

The Organization is subject to unrelated business income tax on certain income that are not directly related to the Organization's tax-exempt purpose. In the opinion of management, the Organization did not have any unrelated business tax liabilities as of December 31, 2023, and 2022.

FASB ASC topic 740, *Income Taxes*, provides guidance for how uncertain tax positions should be recognized, measured, presented, and disclosed in financial statements. FASB ASC topic 740 requires the evaluation of tax positions taken or expected to be taken while preparing the Organization's tax returns to determine whether the tax position(s) would "more likely than not" be sustained if challenged by applicable tax authority. Tax positions not deemed to meet the more likely than not threshold would be recorded as a tax benefit or expense in the current year. The Organization evaluates its uncertain tax positions using the provisions of FASB ASC topic 450, *Contingencies*.

Resilient Georgia, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023, 2022

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restriction contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Grant contributions (government and private grants) are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions as provided by the grant agreement. Grant income is recognized as the Organization meets the requirement of the grant agreement. The Organization records donor-restricted contributions and grants whose restrictions are met in the same reporting period as contributions without donor restrictions.

The Organization conducts various activities and programs. Revenue and related expenses from the various activities and programs are recognized at the point and time in which the activity or program is held or completed.

The Organization receives a management fee of 5% of a region's grant. The fee ranges from \$5,000 to \$10,000 depending on the specific region. The agreement is typically for twelve months, and the fees are earned monthly. The Organization manages all aspects of the grant from scouting, recruiting, and the application process. Once awarded the Organization provides technical assistance, and consulting which includes making introductions and sharing resources.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Resilient Georgia, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023, 2022

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its programs and support services. The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Expenses can be identified with a specific program or support services allocated directly. Expenses common to several functions are allocated according to estimates developed by management. The expenses that are typically allocated include salaries, benefits, and professional fees in addition to other expenses. These expenses are typically allocated based on time and effort.

Program services are the activities that result in services to customers that fulfill the purposes or mission for which the Organization exists. General and administrative activities are activities that are not identifiable with a specific program but are indispensable to the conduct of those activities and to the Organization's existence.

Recently Adopted Accounting Guidance

In September 2020, the Financial Accounting Standards Board (FASB) issued guidance Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to bring more transparency and consistency to the presentation and disclosure of gifts-in-kind. While many not-for-profits (NFPs) already separately report gifts-in-kind and make some of the disclosures required by ASU 2020-07, the new standard brings presentation and disclosure across NFPs. The Organization adopted ASC2020-07 effective January 1, 2022. There was no impact on the financial statements upon adoption.

NOTE B -CONCENTRATION OF CREDIT RISK

The Organization maintains its cash and cash equivalents in bank deposit accounts which may exceed federally insured limits. As of December 31, 2023, and 2022, bank deposits exceeded federally insured limits by approximately \$520,000 and \$325,000, respectively. The Organization's cash and cash equivalents accounts have been placed with high credit quality financial institutions and has not experienced nor anticipates any losses with respect to such accounts. In 2023 and 2022, the Organization received 55% and 56%. respectively from three donors.

NOTE C – IN-KIND CONTRIBUTIONS

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services. The Organization generally pays for services requiring specific expertise. However, individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

Resilient Georgia, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023, 2022

NOTE D – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of December 31,

	2023	2022
Empower Health- Healthcare Georgia Foundation, Inc.	\$ -	\$ 43,657
Kaiser Permanente	33,699	-
ACEs Prevention and Resiliency DEI Strategies	11,807	40,672
	\$ 45,506	\$ 84,329

NOTE E – LIQUIDITY AND AVAILABILITY

The Organization’s financial assets available for general expenditure, that is, without donors or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following:

Financial assets available for general expenditure within one year of the financial position date:

	2023	2022
Financial Assets at Year End		
Cash and cash equivalents	\$ 991,543	\$ 581,295
Receivables	51,115	65,670
Total financial assets at year end	1,042,658	646,965
 Less amount unavailable for general expenditure within one year:	 (45,506)	 (84,329)
 Financial assets available for general expenditure within one year	 \$ 997,152	 \$ 562,636

The Organization manages its liquidity and reserves following these guiding principles:

Operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that any long-term obligations will be discharged, if applicable.

Resilient Georgia, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023, 2022

NOTE F – EMPLOYEE RETIREMENT PLAN

All full-time employees of the Organization which have been employed for 3 months or more are covered under the employee retirement plan. The Organization will match up to six (6%) percent of each employee's covered salary. Retirement expense for the Organization totaled \$17,844 and \$9,340 for the years ended December 31, 2023, and 2022, respectively.

NOTE G – SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through November 12, 2024, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.