

Third District Guardian Ad Litem Program, Inc

Audited
Financial Statements

For the Year Ended June 30, 2025

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Independent Auditor's Report

Board of Directors
Third District Guardian Ad Litem Program, Inc.
Caldwell, Idaho

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Third District Guardian Ad Litem Program, Inc. (a nonprofit organization), which comprise the statements 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Third District Guardian Ad Litem, as of June 30, 2025, and the changes in net assets and cash flows thereof 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 and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. 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 Third District Guardian Ad Litem Program, 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 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 misstatements, 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 Third District Guardian Ad Litem Program, Inc. ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of 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 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 Third District Guardian Ad Litem Program, 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 Third District Guardian Ad Litem Program, 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.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
September 2, 2025

Third District Guardian Ad Litem Program, Inc
Statement of Financial Position
June 30, 2025

	2025
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 364,828
Receivables, Net:	
Grant Receivables	9,356
Prepaid Expenses	2,871
Total Current Assets	377,055
Noncurrent Assets:	
Machinery and Equipment	5,399
Accumulated Depreciation	(1,980)
Total Noncurrent Assets	3,419
Total Assets	\$ 380,474
Liabilities and Net Assets	
Current Liabilities:	
Accounts Payable	\$ 1,625
Payroll Liabilities	26,992
Compensated Absences	28,207
Total Current Liabilities	56,824
Total Liabilities	56,824
Net Assets:	
Without Donor Restrictions	306,817
With Donor Restrictions	16,833
Total Net Assets	323,650
Total Liabilities and Net Assets	\$ 380,474

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

Third District Guardian Ad Litem Program, Inc
Statement of Activities
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	2025 Total
Revenues and Support			
Grant Revenue	\$ 239,763	\$ 408,978	\$ 648,741
Contributions	46,115	-	46,115
Contributions-In-Kind	30,600	-	30,600
Investment Income	8,196	-	8,196
Miscellaneous Income	9,243	-	9,243
Net Assets Released From Restrictions	392,145	(392,145)	-
Total Revenues, Gains and Other Support	726,062	16,833	742,895
Expenses:			
Program Services	547,902	-	547,902
Supporting Services:			
Fundraising	9,431	-	9,431
General and Administrative	138,188	-	138,188
Total Expenses	695,521	-	695,521
Change in Net Assets	30,541	16,833	47,374
Net Assets, Beginning of Year	276,276	-	276,276
Net Assets, End of Year	\$ 306,817	\$ 16,833	\$ 323,650

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

Third District Guardian Ad Litem Program, Inc
Statement of Functional Expenses
For the Year Ended June 30, 2025

	<u>Program</u>	<u>Fundraising</u>	<u>Management & General</u>	<u>Total</u>
Expenses:				
Salaries and Benefits	\$ 507,054	\$ -	\$ 80,154	\$ 587,208
Community Outreach	-	-	17,166	17,166
Volunteer Development	3,341	-	-	3,341
Staff Development	4,369	-	-	4,369
Computer and Internet	7,571	-	3,020	10,591
Office Expense	-	-	3,695	3,695
Professional Fees	-	-	17,436	17,436
Insurance Expense	-	-	1,755	1,755
Advertising and Marketing	-	-	3,681	3,681
Rent	23,833	-	9,510	33,343
Depreciation	-	-	1,080	1,080
Utilities	1,733	-	692	2,425
Fundraising	-	9,431	-	9,431
 Total Expenses	 <u>\$ 547,902</u>	 <u>\$ 9,431</u>	 <u>\$ 138,188</u>	 <u>\$ 695,521</u>

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

Third District Guardian Ad Litem Program, Inc
Statement of Cash Flows
For the Year Ended June 30, 2025

	2025
Cash Flows from Operating Activities	
Increase (Decrease) in Net Assets	\$ 47,374
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	1,080
(Increase) Decrease in Prepaid Expenses	(1,434)
(Increase) Decrease in Grants Receivables	(9,356)
Increase (Decrease) in Payables	(561)
Increase (Decrease) in Payroll Liabilities	93
Increase (Decrease) in Compensated Absences	(30,385)
Net Cash Provided (Used) by Operating Activities	6,811
 Cash and Cash Equivalents, Beginning of Year	 358,017
Cash and Cash Equivalents, End of Year	\$ 364,828
 Displayed As:	
Cash and Cash Equivalents	\$ 364,828

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

Third District Guardian Ad Litem Program, Inc
Notes to Financial Statements
For the Year Ended June 30, 2025

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Third District Guardian Ad Litem Program (the Organization) is an Idaho nonprofit corporation. The Organization was organized in 2016 to provide guardian ad litem services in child protection cases for the Third Judicial District of the State of Idaho. More specifically to provide court appointed advocates for foster children under the age of 12. Volunteers investigate child abuse, neglect, and abandonment and then advocate for those children in court to make sure the child's voice is heard. The Organization recruits, trains, and supports volunteer child advocates, called Guardian Ad Litem, as well as pro-bona attorneys to represent the volunteers in the Third Judicial District.

This summary of significant accounting policies of the Organization is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly-liquid investments with a maturity of three months or less from the time of purchase to be cash equivalents.

Funds with donor restrictions and funds without donor restrictions that are board-restricted are excluded from cash and cash equivalents and are not reported in the statement of cash flows.

Valuation of Accounts Receivable

The Organization determines the allowance for uncollectible accounts receivable based upon historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At June 30, 2025, there was no allowance for doubtful accounts.

Third District Guardian Ad Litem Program, Inc
Notes to Financial Statements
For the Year Ended June 30, 2025

Investments and Income Recognition

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return or loss is reported in the statements of activities and consists of interest and dividend income and realized and unrealized capital gains and losses less external and direct internal investment expenses.

Functional Allocation of Expenses

The costs of program and support-service activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and support services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or support-service function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include facility rent, occupancy and depreciation, which are allocated on a square-footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and others, which are allocated on the basis of estimates of time and effort.

Property and Equipment

All acquisitions of property and equipment, and 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. Once the asset is in operation depreciation and amortization are recorded on a straight-line basis over estimated useful lives as follows:

	<u>Estimated Useful Life</u>
Buildings	3-50 Years
Building Improvements	5-50 Years
Office Furniture, Fixtures and Equipment	3-12 Years
Automobiles	5 Years

Third District Guardian Ad Litem Program, Inc
Notes to Financial Statements
For the Year Ended June 30, 2025

Donated Services

Volunteers contribute significant amounts of time to the Organization's program services, administration, fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation, which is determined by the County. Donated professional services are recorded at the respective fair values of the services received. The Organization reported \$30,600 worth of donated rent for the year ended June 30, 2025.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor 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 (or certain grantor) restrictions. This class also includes restricted grants and contributions received this year if their donor-imposed restrictions were met during the year.

Net Assets With Donor Restrictions

Net assets subject to donor (or certain grantor) 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 restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor restrictions that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or a 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. Donations are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Third District Guardian Ad Litem Program, Inc
Notes to Financial Statements
For the Year Ended June 30, 2025

Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give- that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

As of June 30, 2025, the Organization did not have any contributions that have not been recognized in the accompanying financial statements. The Organization did not have any conditional promises as of June 30, 2025.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial positions. The Organization had no refundable advances to report as of June 30, 2025.

Fair Value Measurements

Fair values of financial instruments are estimated using relevant market information and other assumptions. Fair value estimates involve uncertainties and matters of significant judgment regarding interest rates, credit risk, prepayments, and other factors, especially in the absence of broad markets for particular items. Changes in assumptions or in market conditions could significantly affect these estimates.

Income Tax

The Organization is organized as an Idaho nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as a Section 501(c)(3) organization. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entity is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Organization has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Third District Guardian Ad Litem Program, Inc
Notes to Financial Statements
For the Year Ended June 30, 2025

The Organization believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Marketing and Outreach

The Organization follows a policy of expensing costs of marketing and outreach as they are incurred. Marketing and outreach expense for the six months ended June 30, 2025 was \$3,681.

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.

2. GRANT RECEIVABLE

Grant revenue receivable consists of portion of grant revenue earned but not received as follows:

	<u>2025</u>
National CASA/GAL Association	<u>\$ 9,356</u>

3. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash deposits with commercial banks.

The Organization maintains cash balances with a commercial bank. The accounts at the commercial bank are insured by the Federal Deposit Insurance Corporation up to \$250,000 for the year ended June 30, 2025. The risk is managed by maintaining all deposits in high-quality financial institutions. As of June 30, 2025, \$115,971 of the Organization's bank deposits were uninsured.

Third District Guardian Ad Litem Program, Inc
Notes to Financial Statements
For the Year Ended June 30, 2025

4. NET ASSETS

The Organization has assets without donor restrictions that are available for the following purposes at year end June 30, 2025

Net Assets Without Donor Restrictions:	
Undesignated	<u>\$ 323,118</u>
Total Net Assets Without Donor Restrictions	<u><u>\$ 323,118</u></u>

The Organization has assets with donor restrictions that are available for the following purposes at year end June 30, 2025

Net Asset With Donor Restrictions	
Restricted for Programs	<u>\$ 16,833</u>
Total Net Assets With Donor Restrictions	<u><u>\$ 16,833</u></u>

5. LIQUIDITY AND AVAILABILITY

The Organization manages its liquid resources and fundraising efforts to ensure the entity has adequate contributions and grants to cover programs that are being conducted. The Organization prepares a zero-based budget to make sure that they have funds to cover current-year expenses.

The following reflects the Organization's current cash and receivable assets, as of June 30, 2025, that are expected to be available within one year to meet cash needs for general expenditures.

Financial assets, at year end	
Cash and Cash Equivalent	\$ 364,828
Grants Receivable	9,356
Less Donor Restrictions	<u>(16,833)</u>
Financial assets available to meet cash needs for general expenditures within one year.	<u><u>\$ 357,351</u></u>

Third District Guardian Ad Litem Program, Inc
Notes to Financial Statements
For the Year Ended June 30, 2025

6. PROPERTY AND EQUIPMENT

The Organization had the following property and equipment.

	2024
Fixed Assets:	
Machinery and Equipment	\$ 5,399
Total Historical Cost	5,399
Less: Accumulated Depreciation	(1,980)
Fixed Assets, Net	\$ 3,419

Depreciation expense for the year ended June 30, 2025 totaled \$1,080.

7. COMPENSATED ABSENCES

Compensated absences consist of unused vacation and comp days. The liability and related activity for compensated absences for the year is as follows:

6/30/2024	Earned	Used	6/30/2025	Current
\$ 58,592	\$ 14,620	\$(45,005)	\$ 28,207	\$ 28,207

8. RETIREMENT PLAN

The Organization sponsors a retirement savings plan available to all eligible employees. Under the terms of the plan, employees may make voluntary contributions up to the maximum amount permitted under applicable federal law, based on the calendar year. The Organization does not provide matching or non-elective contributions to the plan.

9. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 2, 2025, the date the financial statements were available to be issued.