

**FLORENCE CRITTENTON  
PROGRAMS OF SOUTH CAROLINA, INC.  
CHARLESTON, SOUTH CAROLINA**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2022**

(This page intentionally left blank.)

**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.**  
**CHARLESTON, SOUTH CAROLINA**

**TABLE OF CONTENTS**

**YEAR ENDED JUNE 30, 2022**

---

	<b>Page</b>
<b>Independent Auditor's Report</b>	<b>1</b>
<b>Financial Statements</b>	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8

(This page intentionally left blank.)



# Greene Finney Cauley, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Florence Crittenton Programs of South Carolina, Inc.  
Charleston, South Carolina

### Opinion

We have audited the accompanying financial statements of Florence Crittenton Programs of South Carolina, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, 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 financial statements referred to above present fairly, in all material respects, the financial position of Florence Crittenton Programs of South Carolina, Inc. as of June 30, 2022, and the changes in its net assets 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 Florence Crittenton Programs of South Carolina, 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 Florence Crittenton Programs of South Carolina, Inc.'s ability to continue as a going concern within one year after the date that the Florence Crittenton Programs of South Carolina, Inc.'s 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.

---

GREENEFINNEYCAULEY.CPA • INFO@GREENEFINNEY.COM

GREENVILLE, SC  
864.232.0653

MAULDIN, SC  
864.232.5204

CHARLESTON, SC  
843.735.5805

ANDERSON, SC  
864.225.8713

ASHEVILLE, NC  
828.771.0847

OPEN BY  
APPOINTMENT ONLY

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 Florence Crittenton Programs of South Carolina, 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 Florence Crittenton Programs of South Carolina, 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.

*Greene Finney Cauley, LLP*

Greene Finney Cauley, LLP  
Mauldin, South Carolina  
March 23, 2023

(This page intentionally left blank.)

**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.  
CHARLESTON, SOUTH CAROLINA**

**STATEMENT OF FINANCIAL POSITION**

**JUNE 30, 2022**

---

**ASSETS**

Cash and cash equivalents	\$	615,555
Investments		26,527
Accounts receivable		95,263
Prepaid assets		34,612
Property and equipment, net		443,552

<b>TOTAL ASSETS</b>	<b>\$</b>	<b>1,215,509</b>
---------------------	-----------	------------------

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable	\$	26,498
Accrued salaries and benefits		41,467
Unearned revenue		16,000
Note Payable - current portion		14,724
Note Payable - noncurrent portion		237,616

<b>TOTAL LIABILITIES</b>		<b>336,305</b>
--------------------------	--	----------------

**NET ASSETS**

Without Donor Restrictions:

Undesignated		625,562
Invested in property and equipment, net of related debt		191,212

Total Without Donor Restrictions		816,774
----------------------------------	--	---------

With Donor Restrictions		62,430
-------------------------	--	--------

<b>TOTAL NET ASSETS</b>		<b>879,204</b>
-------------------------	--	----------------

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b>1,215,509</b>
---	-----------	------------------

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.



**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.  
CHARLESTON, SOUTH CAROLINA**

**STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2022**

	<b>WITHOUT DONOR RESTRICTIONS</b>	<b>WITH DONOR RESTRICTIONS</b>	<b>TOTAL</b>
<b>REVENUES AND OTHER SUPPORT</b>			
Grants and Contributions			
Contracts - Other Government Agencies	\$ -	282,053	\$ 282,053
South Carolina Department of Social Services	394,187	-	394,187
South Carolina Department of Health and Human Services	1,932	-	1,932
USDA Grants	1,509	-	1,509
Contributions and Private Grants	449,450	-	449,450
United Way Agencies	44,759	-	44,759
Total Grants and Contributions	891,837	282,053	1,173,890
Other Revenues and Support			
Special Events:			
Special Event Revenue	266,637	-	266,637
Less: Costs of Direct Benefits to Donors	(55,868)	-	(55,868)
Net Special Event Revenue	210,769	-	210,769
Interest and Dividends	(39)	-	(39)
Miscellaneous	948	-	948
Unrealized Gain/Loss on Investments	4,481	-	4,481
Total Other Revenues and Support	216,159	-	216,159
Net Assets Released From Restriction:			
Satisfaction of Program Restriction	249,623	(249,623)	-
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>1,357,619</b>	<b>32,430</b>	<b>1,390,049</b>
<b>EXPENSES</b>			
Program Services	967,299	-	967,299
Management and General	72,324	-	72,324
Fundraising	164,311	-	164,311
<b>TOTAL EXPENSES</b>	<b>1,203,934</b>	<b>-</b>	<b>1,203,934</b>
<b>CHANGE IN NET ASSETS</b>	<b>153,685</b>	<b>32,430</b>	<b>186,115</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>663,089</b>	<b>30,000</b>	<b>693,089</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 816,774</b>	<b>62,430</b>	<b>\$ 879,204</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.**  
**CHARLESTON, SOUTH CAROLINA**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED JUNE 30, 2022**

<b>EXPENSES</b>	<b>PROGRAM SERVICES</b>	<b>MANAGEMENT AND GENERAL</b>	<b>FUNDRAISING</b>	<b>COSTS OF DIRECT BENEFITS</b>	<b>TOTAL</b>
Client Assistance	\$ 3,391	-	-	-	\$ 3,391
Computers and Software	7,487	416	416	-	8,319
Depreciation	43,572	445	445	-	44,462
Dues and Subscriptions	10,040	1,772	-	-	11,812
Education and Training	12,686	129	129	-	12,944
Employee benefits	50,868	8,032	8,032	-	66,932
Food and Beverage	20,987	1,444	1,444	5,000	28,875
Insurance	45,779	2,409	-	-	48,188
Interest Expense	10,782	110	110	-	11,002
Maintenance	40,742	416	416	-	41,574
Miscellaneous Expense	23,536	241	240	-	24,017
Payroll Taxes	28,325	4,472	4,472	-	37,269
Postage and Shipping	415	104	519	-	1,038
Printing and Publications	827	1,241	5,042	1,162	8,272
Professional Services	-	10,574	-	-	10,574
Rent Subsidies	214,372	-	-	-	214,372
Salaries	394,604	39,960	64,935	-	499,499
Special Events	-	-	77,552	49,706	127,258
Supplies	16,814	172	172	-	17,158
Transportation	4,125	-	-	-	4,125
Utilities	37,947	387	387	-	38,721
<b>TOTAL EXPENSES</b>	<b>\$ 967,299</b>	<b>72,324</b>	<b>164,311</b>	<b>55,868</b>	<b>\$ 1,259,802</b>

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.**  
**CHARLESTON, SOUTH CAROLINA**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED JUNE 30, 2022**

**CASH FLOWS PROVIDED BY OPERATING ACTIVITIES**

Change in Net Assets	\$	186,115
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation Expense		44,462
Changes in operating assets and liabilities:		
Decrease (Increase) in accounts receivables		51,086
Decrease (Increase) in prepaid assets		(3,971)
Increase (Decrease) in accounts payable		13,624
Increase (Decrease) in accrued salaries		13,181
Increase (Decrease) in unearned revenue		16,000
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		<u>320,497</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Principal payments on notes payable		(17,417)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<u>(17,417)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Sale(Purchase) of investments		(4,174)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(4,174)</u>

**NET DECREASE IN CASH AND CASH EQUIVALENTS**

298,906

**CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR**

316,649

**CASH AND CASH EQUIVALENTS, END OF YEAR**

\$ 615,555

**Interest paid**

\$ 11,002

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's report.

**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2022**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Operation***

Florence Crittenton Programs of South Carolina, Inc. (the “Organization”) was established in 1923 as a section 501(c)(3) not-for-profit organization that operates Residential and Family Development programs for the purpose of protecting and promoting the welfare of young females, single parents and their children in South Carolina. The Organization’s programs are primarily supported by federal and state government contracts and grants, and by public support.

***Basis of Presentation***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and are presented in accordance with Financial Accounting Standards Board (“FASB”) *Accounting Standards Codification* 958-205 Not-For-Profit Presentation of Financial Statements. Net assets and revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are available for use in general operations and not subject to donor-imposed restrictions. The Board, at its discretion, may designate a portion of the net assets without donor restrictions to be used for specific purposes.

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 either by actions of the Organization or the passage of time. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. 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 unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

***Income Taxes***

The Organization is 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 Organization evaluates its income tax positions judged to be uncertain. A loss contingency reserve is accrued if it is probable that the tax position will be challenged, it is probable that the future resolution of the challenge will confirm that a loss has been incurred, and the amount of such a loss can be reasonably estimated. No accrual for uncertain tax positions has been recorded as June 30, 2022. The Organization is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The Organization’s tax returns for the past three years remain open for examination by taxing authorities.

***Cash and Cash Equivalents***

For the statement of cash flows, the Organization considers cash on hand, demand deposits and all short-term investments with a maturity of three months or less at the date of purchase to be cash equivalents.

***Investments***

Investments consist of donated stock and exchange-traded funds. Investments are stated at fair value in the Organization’s Statement of Financial Position. The Organization’s policy is to honor the wishes of the donor for all gifts received. The Finance Committee oversees and reviews the recommendations of management for the investment of funds not currently required for operations and for the management, purchase, or sale of real estate, securities and other assets. Final approval of the Board is required for all such transactions, acting on the recommendations from the Finance Committee. As of June 30, 2022, the balance of investments total approximately \$27,000.

**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2022**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Property and Equipment***

The Organization's policy is to capitalize property and equipment purchases over \$5,000. Major expenditures which extend the useful lives of property or equipment are capitalized. Repairs and maintenance are expensed when incurred. Property and equipment donated to the Organization are capitalized at their fair market value when donated. Depreciation is provided on the straight-line basis over the estimated useful lives of assets as follows:

<u>Asset Class</u>	<u>Useful Life</u>
Buildings	27.5 years
Vehicles	5 years
Furniture and equipment	5 - 7 years

***Revenue Recognition***

The Organization recognizes revenue when the donor makes a promise to give that, in substance, is unconditional. Contributions received are recorded as without donor restrictions or with donor restrictions, depending upon the existence and/or nature of any donor restrictions. All donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

***Donated Services***

A number of volunteers have donated time in administration and operation of programs of the Organization. This volunteer time is not considered as requiring specialized skills and therefore is not recognized as revenue in the accompanying financial statements.

***Accounting Estimates***

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires the Organization's management to make estimates and assumptions. These estimates and assumptions 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.

***Functional Allocation of Expenses***

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the program and supporting activities. Expenses that are directly associated with the program and supporting services are allocated specifically to those functions according to their natural expense classification. Other expenses that are common to program and supporting activities have been allocated based on time and use estimates made by management.

***Subsequent Events***

Management has evaluated subsequent events through March 23, 2023, the date which the financial statements were available to be issued.

**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2022**

---

**NOTE 2 – CONCENTRATIONS**

The Organization received a significant amount of funding through the SC Department of Social Services. This source of funding comprises approximately 28% of total revenues for the year ended June 30, 2022. The Organization also relies upon funding from Charleston County Government Grants, which comprised approximately 10% of the total revenues. Changes in these sources of funding would significantly affect the Organization's operations.

**NOTE 3 – CUSTODIAL CREDIT RISK**

The Organization currently maintains checking and certificate of deposit accounts at banks located in South Carolina. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. As of June 30, 2022, \$104,606 of the Organization's total bank balances of \$575,893 (with a carrying value of \$615,555) were exposed to custodial credit risk as some of the Organization's bank balances exceeded FDIC insurance. The Organization does not have a formal policy for requiring collateral for bank deposits in excess of federally insured limits. The Organization is not required by law to maintain collateral or full depository insurance for deposits.

**NOTE 4 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within the year following June 30, 2022, consist of the following:

Cash and Cash Equivalents	\$ 615,555
Investments	26,527
Current receivables	95,263
Less: Donor-Imposed Restrictions Associated with Financial Assets	(62,430)
	<u>\$ 674,915</u>

**NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS**

Restrictions on net assets at June 30, 2022 relate to funds received for a specific program of the Organization for which the funds had not yet been expended as of June 30, 2022. It is anticipated that a significant amount of these funds will likely be expended during 2023. Net assets with donor restrictions at June 30, 2022 consisted of \$62,430 restricted for various purposes.

**FLORENCE CRITTENTON PROGRAMS OF SOUTH CAROLINA, INC.**  
**CHARLESTON, SOUTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2022**

**NOTE 6 – PROPERTY AND EQUIPMENT**

A summary of the Organization’s property and equipment activity for the year end June 30, 2022 is provided in the following table:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Ending Balance</b>
<b><u>Property and Equipment, Not Being Depreciated</u></b>				
Land	\$ 12,500	-	-	\$ 12,500
Total Property and Equipment, Not Being Depreciated	12,500	-	-	12,500
<b><u>Property and Equipment, Being Depreciated</u></b>				
Buildings	1,192,239	-	-	1,192,239
Furniture and Equipment	101,932	-	-	101,932
Vehicles	30,500	-	-	30,500
Total Property and Equipment, Being Depreciated	1,324,671	-	-	1,324,671
Less: Accumulated Depreciation	849,157	44,462	-	893,619
Total Property and Equipment, Net	\$ 488,014	(44,462)	-	\$ 443,552

The Organization reported \$44,462 in depreciation expense for the year ended June 30, 2022.

**NOTE 7 – LONG-TERM DEBT**

The Organization secured a mortgage on December 2, 2013. The mortgage is secured by the building which houses its offices and its residential clients. The mortgage carries an interest rate of 4.00%, amortized over 5 years, with interest and principal payments due each month. A second amendment to the original agreement was made on February 13, 2023 to extend the maturity date to February 2024 and increase the interest rate to 7.75%. A single “balloon payment” of the entire unpaid balance of principal and interest will be due on the amended maturity date. The outstanding balance on the mortgage was \$252,340 as of June 30, 2022.

On November 5, 2019, the Organization entered into a loan agreement with South Atlantic Bank in the amount of \$29,500 to purchase two vehicles, a twelve-passenger van and a seven passenger SUV at 4% interest. Monthly payments are due in installments of approximately \$667 beginning in December 2019 until maturity in November 2023. During January 2020, one of the vehicles purchased was totaled and the Organization received an insurance payout for the vehicle that was used to reduce the loan in the amount received of approximately \$13,300. There is no balance outstanding as of June 30, 2022, as the Organization repaid the remaining amount of approximately \$4,000.

Scheduled maturities of the long-term debt are as follows:

2023	\$ 14,724
2024	237,616
	<u>\$ 252,340</u>

**NOTE 8 – CONTINGENCIES**

The Organization is dependent upon grants and contributions. The Organization must apply for renewals of grants. Funding is subject to increases or decreases at the discretion of the grantors or donors.

**NOTE 9 – SUBSEQUENT EVENTS**

In February 2023, the Organization revised the terms of its existing mortgage loan to extend the maturity date to February 2024 and increased the interest rate to 7.75%.