

**GEORGIA CENTER FOR CHILD ADVOCACY, INC.**

Financial Statements and Single Audit Reports

December 31, 2017 and 2016

With Independent Auditor's Report Thereon

## **Independent Auditor's Report**

The Board of Directors  
Georgia Center for Child Advocacy, Inc.:

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the Georgia Center for Child Advocacy, Inc. ("the Organization") which comprise the statements of financial position as of December 31, 2017 and 2016 and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

### **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; this includes 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.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2017 and 2016 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated April 4, 2018 on my consideration of the Organization's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*James Dykhouse, CPA*

April 4, 2018

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statements of Financial Position

December 31, 2017 and 2016

	<u>Assets</u>	
	<u>2017</u>	<u>2016</u>
Current assets:		
Cash and cash equivalents	\$ 794,285	621,088
Investments	3,039	1,799
Accounts receivable	281,609	299,701
Contributions receivable, less allowance of \$13,630 in 2016	12,043	25,732
Prepaid expenses	<u>40,184</u>	<u>28,991</u>
Total current assets	1,131,160	977,311
Contributions receivable, less allowance of \$10,000 in 2017 and \$11,370 in 2016	1,860	7,530
Fixed assets, less accumulated depreciation	<u>59,836</u>	<u>63,738</u>
Total assets	\$ <u><u>1,192,856</u></u>	<u><u>1,048,579</u></u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ <u>168,402</u>	<u>117,567</u>
Net assets:		
Unrestricted	427,468	110,129
Temporarily restricted	<u>596,986</u>	<u>820,883</u>
Total net assets	<u>1,024,454</u>	<u>931,012</u>
Total liabilities and net assets	\$ <u><u>1,192,856</u></u>	<u><u>1,048,579</u></u>

See accompanying notes to financial statements.

# GEORGIA CENTER FOR CHILD ADVOCACY, INC.

## Statement of Activities

Year ended December 31, 2017  
(with comparative totals for 2016)

	Unrestricted	Temporarily restricted	Totals 2017	2016
Revenue and support:				
Contributions	\$ 242,481	591,508	833,989	893,416
Contracts	1,458,891	-	1,458,891	1,113,141
Special events, net of expenses	295,027	-	295,027	281,051
Investment income	2,398	-	2,398	1,468
Program income	157,425	-	157,425	106,315
Program material sales	109,057	-	109,057	163,789
Other	-	-	-	1,223
Net assets released from restrictions	815,405	(815,405)	-	-
Total	3,080,684	(223,897)	2,856,787	2,560,403
Expenses:				
Program services	2,411,755	-	2,411,755	2,078,633
Fund raising	158,575	-	158,575	195,391
Management and general	193,015	-	193,015	147,602
Total	2,763,345	-	2,763,345	2,421,626
Change in net assets	317,339	(223,897)	93,442	138,777
Net assets at beginning of year	110,129	820,883	931,012	792,235
Net assets at end of year	\$ 427,468	596,986	1,024,454	931,012

See accompanying notes to financial statements.

# GEORGIA CENTER FOR CHILD ADVOCACY, INC.

## Statement of Activities

Year ended December 31, 2016

	Unrestricted	Temporarily restricted	Total
Revenue and support:			
Contributions	\$ 175,766	717,650	893,416
Contracts	1,113,141	-	1,113,141
Special events, net of expenses	281,051	-	281,051
Investment income	1,468	-	1,468
Program income	106,315	-	106,315
Program material sales	163,789	-	163,789
Other	1,223	-	1,223
Net assets released from restrictions	575,906	(575,906)	-
Total	2,418,659	141,744	2,560,403
Expenses:			
Program services	2,078,633	-	2,078,633
Fund raising	195,391	-	195,391
Management and general	147,602	-	147,602
Total	2,421,626	-	2,421,626
Change in net assets	(2,967)	141,744	138,777
Net assets at beginning of year	113,096	679,139	792,235
Net assets at end of year	\$ 110,129	820,883	931,012

See accompanying notes to financial statements.

# GEORGIA CENTER FOR CHILD ADVOCACY, INC.

## Statements of Cash Flows

Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 93,442	138,777
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	9,982	8,186
Unrealized (gain) loss on investments	(1,240)	668
Decrease (increase) in accounts receivable	18,092	(54,291)
Decrease (increase) in contributions receivable	13,689	(4,782)
Decrease in inventory	-	14,862
Increase in prepaid expenses	(11,193)	(2,292)
Decrease in contributions receivable - long term	5,670	8,840
Increase (decrease) in accounts payable and accrued expenses	<u>50,835</u>	<u>(5,837)</u>
Net cash provided by operating activities	<u>179,277</u>	<u>104,131</u>
Cash flows from investing activities:		
Purchase of investments	-	(507)
Sale of investments	-	27,432
Purchase of property and equipment	<u>(6,080)</u>	<u>(5,498)</u>
Net cash (used in) provided by investing activities	<u>(6,080)</u>	<u>21,427</u>
Increase in cash and cash equivalents	173,197	125,558
Cash and cash equivalents at beginning of year	<u>621,088</u>	<u>495,530</u>
Cash and cash equivalents at end of year	<u>\$ 794,285</u>	<u>621,088</u>

See accompanying notes to financial statements.

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statement of Functional Expenses

Year ended December 31, 2017

	<u>Program Services</u>	<u>Fund Raising</u>	<u>Management and General</u>	<u>Total</u>
Personnel and benefits	\$ 1,760,770	118,601	115,896	1,995,267
Program supplies	131,480	-	-	131,480
Occupancy	108,503	3,836	1,918	114,257
Depreciation	8,684	699	599	9,982
Professional fees and consultants	202,208	25,277	32,647	260,132
Insurance	25,136	2,022	1,734	28,892
Travel	80,411	3,697	1,166	85,274
Office expense	90,898	4,286	7,928	103,112
Bad debt expense	-	-	30,289	30,289
Other	3,665	157	838	4,660
	<u>\$ 2,411,755</u>	<u>158,575</u>	<u>193,015</u>	<u>2,763,345</u>

See accompanying notes to financial statements.



GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Statement of Functional Expenses

Year ended December 31, 2016

	Program Services	Fund Raising	Management and General	Total
Personnel and benefits	\$ 1,522,368	162,285	96,808	1,781,461
Program supplies	151,657	1,232	-	152,889
Occupancy	113,357	4,086	2,406	119,849
Depreciation	6,876	819	491	8,186
Professional fees and consultants	118,778	2,308	32,472	153,558
Insurance	25,950	3,089	1,854	30,893
Travel	76,838	3,309	3,205	83,352
Bad debt expense	-	13,467	-	13,467
Office expense	56,111	4,796	8,779	69,686
Other	6,698	-	1,587	8,285
	<u>\$ 2,078,633</u>	<u>195,391</u>	<u>147,602</u>	<u>2,421,626</u>

See accompanying notes to financial statements.

# GEORGIA CENTER FOR CHILD ADVOCACY, INC.

## Notes to Financial Statements

December 31, 2017 and 2016

### (1) Summary of Significant Accounting Policies

#### (a) Organization

Georgia Center for Child Advocacy, Inc. (the "Organization") mission is to champion the needs of sexually and severely physically abused children through prevention, intervention, therapy, and collaboration. These services are provided at no cost to children who reside in DeKalb and Fulton County. The Organization's role throughout the criminal investigation is to focus on the child's needs, rather than focusing on the crime itself. The Organization was established as a private, non-profit agency in 1987. In 1992, the Organization was the 10th agency in the country to become an accredited member of the National Children's Alliance and the first in Georgia.

#### (b) Basis of Accounting and Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as unrestricted, temporarily or permanently restricted.

Unrestricted net assets include amounts that are not subject to donor-imposed stipulations which are used to account for resources available to carry out the purposes of the Organization in accordance with the limitations of its charter and bylaws.

Temporarily restricted net assets are those resources currently available for use, but expendable only for purposes specified by the donor or grantor. Such resources originate from grants and contributions restricted for specific purposes. When a donor or grantor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets, and reported in the statement of activities as net assets released from restriction.

#### (c) Cash and Cash Equivalents

For the purpose of these statements, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to cash and having original maturities of three months or less, when purchased.

#### (d) Investments

Investments are stated at fair value. Securities are carried at market value, as quoted on major stock exchanges. Net realized and unrealized gains or losses on sales of investments are recognized in the period in which they occur.

# GEORGIA CENTER FOR CHILD ADVOCACY, INC.

## Notes to Financial Statements

December 31, 2017 and 2016

### (e) *Property, equipment, and leasehold improvements*

Expenditures for furniture, equipment and leasehold improvements are capitalized at cost. Contributed assets are recorded at their fair value at the date of gift. Depreciation is provided on a straight-line basis over the estimated useful lives of the related assets as follows:

	<u>Life</u>
Furniture and fixtures	5 - 7 years
Equipment	3 - 5 years
Leasehold improvements	6 - 7 years

### (f) *Functional Allocation of Expense*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### (g) *Tax Status*

The Organization is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the organization are tax deductible to donors under Section 170 of the IRC. The organization is not classified as a private foundation.

### (h) *Use of Estimates*

Management of the Organization has made certain estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare the financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

## (2) **Contributions Receivable**

Contributions receivable, net, are summarized as follows at December 31, 2017 and 2016:

Unconditional promises expected to be collected in:	<u>2017</u>	<u>2016</u>
Less than one year	\$ 12,043	39,362
One year to five years	11,860	18,900
Over five years	<u>-</u>	<u>-</u>
	23,903	58,262
Less allowances for uncollectible promises to give	<u>(10,000)</u>	<u>(25,000)</u>
	<u>\$ 13,903</u>	<u>33,262</u>

# GEORGIA CENTER FOR CHILD ADVOCACY, INC.

## Notes to Financial Statements

December 31, 2017 and 2016

### (3) Investments

At December 31, 2017 and 2016, the fair value of investments is as follows:

	<u>2017</u>	<u>2016</u>
Equity securities	\$ <u>3,039</u>	<u>1,799</u>

### (4) Fair Value Measurements

The Organization follows the provisions of Statement of Financial Accounting Standards Board (FASB) Accounting Standards Codification ASC 820, *Fair Value Measurements and Disclosures*, for financial assets and liabilities. Under ASC 820, fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, ASC 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels. These levels, in order of highest priority to lowest priority, are described as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Other significant observable inputs not quoted on active markets, but corroborated by market data.

Level 3: Significant unobservable inputs for the asset that are supported by little or no market activity and that are significant to the fair value of the underlying asset.

The following table summarized the Organization's financial instruments measured at fair value on a recurring basis in accordance with ASC 820 as of December 31, 2017 and 2016:

December 31, 2017:

	Total	Level 1	Level 2	Level 3
Publicly traded securities	\$ 3,039	3,039	-	-

December 31, 2016:

	Total	Level 1	Level 2	Level 3
Publicly traded securities	\$ 1,799	1,799	-	-

GEORGIA CENTER FOR CHILD ADVOCACY, INC.

Notes to Financial Statements

December 31, 2017 and 2016

(5) Fixed Assets

Fixed assets consisted of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Furniture and fixtures	\$ 108,292	108,292
Leasehold improvements	142,163	142,163
Equipment	<u>148,668</u>	<u>142,588</u>
	399,123	393,043
Less accumulated depreciation	<u>(339,287)</u>	<u>(329,305)</u>
	\$ <u>59,836</u>	<u>63,738</u>

(6) Restricted Net Assets

Temporarily restricted net assets at December 31, 2017 and 2016 consist of funds for the following:

	<u>2017</u>	<u>2016</u>
Capital Improvements	\$ -	79,303
Prevention Program	495,235	528,724
General Operating Support	<u>101,751</u>	<u>212,856</u>
	\$ <u>596,986</u>	<u>820,883</u>

Temporarily restricted net assets released from donor restrictions during 2017 and 2016 as a result of expenses being incurred to satisfy the restricted purposes specified by donors or the passage of time are as follows:

	<u>2017</u>	<u>2016</u>
Prevention Program	\$583,489	492,687
Capital Improvements	79,303	7,268
General Operating Support	<u>152,613</u>	<u>75,951</u>
	\$ <u>815,405</u>	<u>575,906</u>

**GEORGIA CENTER FOR CHILD ADVOCACY, INC.**

Notes to Financial Statements

December 31, 2017 and 2016

**(7) Commitments**

The Organization leases office equipment and space under operating leases for various terms. The Organization's facility is subleased from another nonprofit agency in Atlanta, Georgia. Rent expense was \$58,830 for the year ended December 31, 2017.

Minimum lease payments under the terms of these leases are as follows:

2018	<u>\$ 60,606</u>
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**(8) Line of Credit**

The Organization has a line of credit with a bank of \$150,000 which is secured by all of the Organization's assets. The line of credit carries a variable interest rate based on the prime rate. At December 31, 2017, there was no amount outstanding on this line of credit.

**(9) Retirement Plan**

The Organization provides a Simple IRA plan for all employees who have at least \$5,000 in wages in the prior year. An employee can contribute up to \$10,000 (\$12,000 if age 50 or older) annually. The Organization can match the employee's contribution up to 3% of the employee's contribution. The Organization's contribution for the year ended December 31, 2017 and 2016 was \$26,569 and \$21,402, respectively.

**(10) Subsequent Events**

Subsequent events have been evaluated through April 4, 2018 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.

**GEORGIA CENTER FOR CHILD ADVOCACY, INC.**

Schedule of Expenditures of Federal Awards

Year ended December 31, 2017

<u>Federal grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services:				
Substance Abuse and Mental Health Services	93.243	5U79SM063102-02 5U79SM063102-01	\$ 114,249	\$ 512,681
Pass-Through Programs From:				
Georgia Department of Human Services: Office of Prevention & Family Services	93.590	42700-040-0000051672 42700-040-0000061730	-	72,236
Total U.S. Department of Health and Human Services			114,249	584,917
U. S. Department of Justice:				
The Envision Project	16.320	2016-VT-BX-K041	-	88,638
Pass-Through Programs From:				
Office of the Governor - Georgia				
Victims of Crime Act Grant Program	16.575	2015-VA-GX-0057 2016-VA-GX-0023	-	552,716
Sexual Assault Center	16.575	X17-8-071	-	7,603
Children's Advocacy Centers of Georgia National Children's Alliance Grant	16.758	4-ATLD-GA-SA17 5-ATLF-GA-SA17	-	14,000
Children's Advocacy Centers of Georgia National Children's Alliance Grant	16.758	ATLA-GA-AFCBT -PA17	-	23,946
Total U.S. Department of Justice			-	686,903
Total Federal Expenditures			\$ 114,249	\$ 1,271,820

See accompanying independent auditor's report and notes to schedule of expenditures of federal awards.

## GEORGIA CENTER FOR CHILD ADVOCACY, INC.

### Notes to Schedule of Expenditures of Federal Awards

Year ended December 31, 2017

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Organization under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

(2) Summary of Significant Accounting Policies

Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Organization has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

(3) Matching

The Organization matched \$138,179 to the Victims of Crime Act Grant for the year ended December 31, 2017 in addition to the federal share of expenditures in the accompanying schedule of expenditures of federal awards.



**Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards**

Independent Auditor's Report

The Board of Directors  
Georgia Center for Child Advocacy, Inc.:

I have audited, in accordance with auditing standards general 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, the financial statements of the Georgia Center for Child Advocacy, Inc. ("the Organization"), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements and have issued my report thereon dated April 4, 2018.

**Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*James D. House, CPA*

April 4, 2018

**Report on Compliance For Each Major Federal Program  
And on Internal Control Over Compliance Required by the Uniform Guidance**

Independent Auditor's Report

The Board of Directors  
Georgia Center for Child Advocacy, Inc.:

**Report on Compliance for Each Major Federal Program**

I have audited the Georgia Center for Child Advocacy, Inc. ("the Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2017. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

My responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the Organization's compliance.

**Opinion on Each Major Federal Program**

In my opinion, Organization's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over compliance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

John D. House, CPA

- 18 -

**GEORGIA CENTER FOR CHILD ADVOCACY, INC.**

**Schedule of Findings and Questioned Costs**

**Year ended December 31, 2017**

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: unmodified opinion

Internal control over financial reporting:

• Material weakness(es) identified?       yes     X    no  
• Significant deficiency(ies) identified?       yes     X    none reported

Noncompliance material to financial statements noted?       yes     X    no

*Federal Awards*

Internal control over major federal programs:

• Material weakness(es) identified?       yes     X    no  
• Significant deficiency(ies) identified?       yes     X    none reported

Type of auditor's report issued on compliance for major federal programs: unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CRF 200.516(a)?       yes     X    no

Identification of major federal programs: CFDA 16.575 Children Advocacy Centers of GA  
CFDA 16.575 Victims of Crime Act Program

Dollar threshold used to distinguish between type A and type B programs:     \$ 750,000    

Auditee qualified as low-risk auditee?       yes     X    no

**GEORGIA CENTER FOR CHILD ADVOCACY, INC.**

**Schedule of Findings and Questioned Costs**

**Year ended December 31, 2017**

**Section II – Financial Statement Findings**

There were no findings related to the financial statements for the year ended December 31, 2017.

**Section III – Federal Award Findings and Questioned Costs**

There were no findings and questioned costs related to the financial statements for the year ended December 31, 2017.