

THE BRIDGE CENTER FOR HOPE
FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2018

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Bridge Center for Hope
Baton Rouge, LA

Report on the Financial Statements

We have audited the accompanying financial statements of The Bridge Center for Hope (a non-profit organization), which comprise the statement of financial position as of December 31, 2018, and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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 circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Bridge Center for Hope as of December 31, 2018, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head are presented for purposes of additional analysis and are 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Daigrepont & Brian, APAC
Baton Rouge, LA

June 12, 2019

THE BRIDGE CENTER FOR HOPE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

ASSETS

Current Assets

Cash \$ 176,590

Total Current Assets 176,590

Total Assets \$ 176,590

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable \$ 4,563

Total Current Liabilities 4,563

Net Assets

Without Restriction 131,597

With Restriction 40,430

Total Net Assets 172,027

Total Liabilities and Net Assets \$ 176,590

See accompanying notes and independent auditors' report.

THE BRIDGE CENTER FOR HOPE
 STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDING DECEMBER 31, 2018

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
REVENUES			
Donations	\$ 62,698	\$ -	\$ 62,698
Service Contract	-	260,000	260,000
Passthrough Income	-	28,540	28,540
Other Income	4	-	4
Net Assets Released from Restriction	<u>268,110</u>	<u>(268,110)</u>	<u>-</u>
Total Revenues	<u>\$ 330,812</u>	<u>\$ 20,430</u>	<u>\$ 351,242</u>
EXPENSES			
Program Services	\$ 337,491	\$ -	\$ 337,491
Supporting Services			
Management and General	<u>1,911</u>	<u>-</u>	<u>1,911</u>
Total Expenses	<u>339,402</u>	<u>-</u>	<u>339,402</u>
CHANGE IN NET ASSETS	(8,590)	20,430	11,840
Net Assets - Beginning of Year	<u>140,187</u>	<u>20,000</u>	<u>160,187</u>
Net Assets - End of Year	<u>\$ 131,597</u>	<u>\$ 40,430</u>	<u>\$ 172,027</u>

See accompanying notes and independent auditors' report.

THE BRIDGE CENTER FOR HOPE
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDING DECEMBER 31, 2018

	Program Services	Management & General	Total
Grants	\$ 42,419	\$ -	\$ 42,419
Miscellaneous	526	132	658
Office Expense	7,117	1,779	8,896
Professional Services	284,367	-	284,367
Travel and Meetings	3,062	-	3,062
	<u>\$ 337,491</u>	<u>\$ 1,911</u>	<u>\$ 339,402</u>

See accompanying notes and independent auditors' report.

THE BRIDGE CENTER FOR HOPE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING DECEMBER 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Changes in net assets	\$ 11,840
Adjustments to reconcile net revenues over expenses to net cash used in operating activities:	
Decrease in accounts payable	<u>(22,571)</u>
Net cash used by operating activities	<u>(10,731)</u>
DECREASE IN CASH	(10,731)
CASH, BEGINNING OF YEAR	<u>187,321</u>
CASH, END OF YEAR	<u>\$ 176,590</u>

See accompanying notes and independent auditors' report.

**THE BRIDGE CENTER FOR HOPE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2018**

1. Summary of Significant Accounting Policies

Organization

The Bridge Center for Hope (Bridge Center) was formed to create and manage programs for people with mental illness and substance abuse problems in East Baton Rouge Parish. The Bridge Center's goal is to implement a crisis intervention center that would let law enforcement officers divert people with behavioral health issues to treatment instead of jail.

Basis of Accounting

The current year financial statements of the Bridge Center have been prepared on the accrual basis of accounting according to accounting principles generally accepted in the United States of America. Accordingly, all significant receivables, payables and other liabilities are reflected in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash

Cash consists of deposits held with a bank and funds held with a local foundation on behalf of the organization.

Net Assets

The Bridge Center reports information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions are net assets that are not subject to donor-imposed restrictions and are available for use at the organization's discretion.

Net Assets With Donor Restrictions are net assets subject to donor-imposed restrictions that may or will be met by either actions of the organization or the passage of time. Once the restrictions are met, they are reclassified to net assets without donor restrictions.

Revenue Recognition

Revenue from donations and service contracts are recognized according to the specific agreement. Generally, revenues from service contracts are recognized in the period of the award or as services are performed. Donations are recorded when made and are available for unrestricted use unless there is a donor imposed restriction.

THE BRIDGE CENTER FOR HOPE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2018

1. Summary of Significant Accounting Policies - Continued

Functional Expenses

The Bridge Center allocates its expenses on a functional basis among its various programs. Expenses that can be identified with a specific program are allocated directly according to their natural expense classification. Other expenses are allocated between programs and supporting services based on management's best estimate.

Donated services

Unpaid board members and volunteers conduct a significant portion of the Bridge Centers' functions. The value of this contributed time is not reflected in the accompanying financial statements since the service performed does not meet the criteria necessary for recognition.

Income Taxes

The Bridge Center accounts for income taxes in accordance with FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management believes it has no material uncertain tax positions and, accordingly has not recognized a liability for any unrecognized tax benefits.

The Bridge Center is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Bridge Center first filed Form 990 in the U.S. federal jurisdiction for tax year 2016 which is still open for potential audit.

Subsequent Events

In preparing these financial statements the Bridge Center has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

Advertising

The Bridge Center expenses all advertising costs as incurred.

Recently Issued Accounting Standards

On August 18, 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Among other provisions, ASU 2016-14 reduces the number of classes of net assets from three to two, requires the presentation of expenses in both natural and functional classifications, and requires the disclosure of both quantitative and qualitative information about the availability of and how the organization manages its liquid available resources to meet cash needs for general expenditures within one year of the balance sheet date.

**THE BRIDGE CENTER FOR HOPE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2018**

2. Concentrations

From time to time the Bridge Center maintains cash balances in banks that are in excess of FDIC insurable limits. Management periodically evaluates the integrity of the entities that hold the Bridge Centers' cash.

The Bridge Center derives the majority of its revenues from donations and service contracts, the loss of which would have a material adverse effect on the organization. For the year ended December 31, 2018 one service contract accounted for 81% of donations and service contract revenue. No other source exceeded 10% of donations and service contract revenue.

3. Net Assets with Donor Restriction

Changes in net assets with donor restriction during the year ended December 31, 2018 were as follows:

	Beginning of Year	Increases	Decreases	End of Year
Baton Rouge Crisis Line	\$ 20,000	\$ 28,540	\$ 48,540	\$ -
Pre-Trial Diversion Program	-	260,000	219,570	40,430
	<u>\$ 20,000</u>	<u>\$ 288,540</u>	<u>\$ 268,110</u>	<u>\$ 40,430</u>

4. Commitments and Contingencies

The Bridge Center receives donations and service contracts for specific purposes that are potentially subject examination by the donor or contracting agency. Such examinations could lead to requests for reimbursement to the donor or contracting agency for expenditures disallowed under the terms of the agreement. It is the opinion of management that any potential examinations will not result in any requests for reimbursement

5. Liquidity and Availability of Financial Assets

The following reflects the Bridge Center's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of a contractual or donor imposed restriction within one year of the balance sheet date.

Financial Assets at Year End	\$ 176,590
Unavailable for General Expenditures	
Pre-Trial Diversion Program	<u>(40,430)</u>
Financial Assets Available for General Expenditures	<u>\$ 136,160</u>

6. Board of Directors Compensation

The Board of Directors is a voluntary board, therefore, no compensation has been paid to any member.

7. Mental Health and Substance Abuse Treatment Center

In December 2018 the voters of East Baton Rouge Parish passed a property tax to fund a mental health and substance abuse treatment center. The 1.5 mill 10 year property tax will enable the Bridge Center to provide services such as crisis intervention, behavioral health respite, detoxification, and ongoing case management. Funds from this tax won't be available until January 2020.

**THE BRIDGE CENTER FOR HOPE
SCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDING DECEMBER 31, 2018**

Board Chair: Kathy Kliebert

No compensation paid to the Board Chair

See accompanying notes and independent auditors' report.