



Financial Statements

June 30, 2023 and 2022



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GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Greater Richmond SCAN (Stop Child Abuse Now), Inc.
Richmond, Virginia

Opinion

We have audited the accompanying financial statements of Greater Richmond SCAN (Stop Child Abuse Now), Inc., (the "Organization"), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years 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 Greater Richmond SCAN (Stop Child Abuse Now), Inc., as of June 30, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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; 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.

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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government 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, including omissions, 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement 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 the Organization'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 judgement, there are conditions or events, considered in aggregate, that raise substantial doubt about the Organization'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.

Supplementary Information

Our audits were 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 audits 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. In our opinion, the schedule of expenditures of federal awards 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*, we have also issued our report dated November 8, 2023, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's 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.

A handwritten signature in black ink, appearing to read "Keita", with a long horizontal flourish extending to the right.

November 8, 2023
Glen Allen, Virginia

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Statements of Financial Position
June 30, 2023 and 2022

<u>Assets</u>	<u>2023</u>	<u>2022</u>
Current assets:		
Cash	\$ 3,008,074	\$ 2,831,582
Marketable securities	17,781	-
Accounts receivable, net of allowances	77,221	71,937
Grants receivable	186,942	78,403
Pledges receivable, net of allowances	259,935	263,507
Prepaid expenses and other assets	41,004	62,008
	<u>3,590,957</u>	<u>3,307,437</u>
Property and equipment:		
Furniture	23,347	23,347
Equipment	96,108	71,445
Leasehold improvements	42,272	42,272
Accumulated depreciation	(124,282)	(112,941)
Property and equipment, net	<u>37,445</u>	<u>24,123</u>
Beneficial interest in assets held by The Community Foundation	97,832	85,895
Operating lease right-of-use assets, net	<u>109,296</u>	<u>-</u>
	<u>\$ 3,835,530</u>	<u>\$ 3,417,455</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	\$ 25,013	\$ 20,120
Accrued payroll liabilities	191,030	188,261
Deferred rent	-	11,749
Current maturities of operating lease liabilities	116,031	-
Total current liabilities	<u>332,074</u>	<u>220,130</u>
Net assets:		
Without donor restrictions	3,102,819	2,542,292
With donor restrictions	<u>400,637</u>	<u>655,033</u>
	<u>3,503,456</u>	<u>3,197,325</u>
	<u>\$ 3,835,530</u>	<u>\$ 3,417,455</u>

See accompanying notes to financial statements.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Statements of Activities
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Contributions	\$ 756,454	\$ 713,345	\$ 1,469,799
In-kind contributions	28,381	-	28,381
Grants	1,163,716	-	1,163,716
Program revenue	649,360	-	649,360
Special events (less direct expenses of \$63,521)	355,251	-	355,251
Interest income	36,904	-	36,904
Investment income, net	10,138	-	10,138
Other income	3,016	-	3,016
	<u>3,003,220</u>	<u>713,345</u>	<u>3,716,565</u>
 Total support and revenue			
	<u>3,003,220</u>	<u>713,345</u>	<u>3,716,565</u>
 Net assets released from restrictions	<u>967,741</u>	<u>(967,741)</u>	<u>-</u>
 Total support, revenue, and other changes	<u>3,970,961</u>	<u>(254,396)</u>	<u>3,716,565</u>
 Expenses:			
Program services	3,036,499	-	3,036,499
Support services:			
Management and general	173,514	-	173,514
Fundraising	200,421	-	200,421
	<u>3,410,434</u>	<u>-</u>	<u>3,410,434</u>
 Total expenses			
	<u>3,410,434</u>	<u>-</u>	<u>3,410,434</u>
 Changes in net assets	560,527	(254,396)	306,131
 Net assets, beginning of year	<u>2,542,292</u>	<u>655,033</u>	<u>3,197,325</u>
 Net assets, end of year	<u>\$ 3,102,819</u>	<u>\$ 400,637</u>	<u>\$ 3,503,456</u>

See accompanying notes to financial statements.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Statements of Activities, Continued
Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
	<u> </u>	<u> </u>	<u> </u>
Support and revenue:			
Contributions	\$ 683,239	\$ 895,180	\$ 1,578,419
In-kind contributions	7,079	-	7,079
Grants	1,093,826	-	1,093,826
Program revenue	736,075	-	736,075
Special events (less direct expenses of \$70,927)	336,537	-	336,537
Interest income	2,340	-	2,340
Other income, net	1,533	-	1,533
	<u>2,860,629</u>	<u>895,180</u>	<u>3,755,809</u>
 Net assets released from restrictions	 644,748	 (644,748)	 -
	<u>3,505,377</u>	<u>250,432</u>	<u>3,755,809</u>
 Expenses:			
Program services	2,770,849	-	2,770,849
Support services:			
Management and general	153,703	-	153,703
Fundraising	171,404	-	171,404
	<u>3,095,956</u>	<u>-</u>	<u>3,095,956</u>
 Investment loss, net	 13,345	 -	 13,345
	<u>3,109,301</u>	<u>-</u>	<u>3,109,301</u>
 Changes in net assets	 396,076	 250,432	 646,508
 Net assets, beginning of year	 2,146,216	 404,601	 2,550,817
 Net assets, end of year	 <u>\$ 2,542,292</u>	 <u>\$ 655,033</u>	 <u>\$ 3,197,325</u>

See accompanying notes to financial statements.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Statements of Functional Expenses
Year Ended June 30, 2023

	Program Services					Total Program Services	Support Services		Total Support Services	Total
	CAC	CASA	Community Programs	Family Support	Circle Preschool		Management and General	Fundraising		
Salaries and wages	\$ 676,276	\$ 263,232	\$ 534,050	\$ 246,022	\$ 415,947	\$ 2,135,527	\$ 64,499	\$ 151,780	\$ 216,279	\$ 2,351,806
Employee benefits	28,861	18,548	38,209	20,454	44,628	150,700	5,736	10,340	16,076	166,776
Payroll taxes	51,074	19,770	40,027	18,425	29,413	158,709	4,790	11,379	16,169	174,878
Occupancy expenses	118,540	39	25,336	21,849	36,169	201,933	13,100	26	13,126	215,059
Travel and meetings	10,799	6,085	12,696	3,460	3,932	36,972	3,935	9,201	13,136	50,108
Depreciation	3,402	1,701	567	2,268	1,701	9,639	567	1,134	1,701	11,340
Development and training	7,121	533	1,270	1,808	3,066	13,798	396	63	459	14,257
Postage and shipping	388	326	64	255	191	1,224	88	582	670	1,894
Telephone	15,432	981	1,731	2,476	893	21,513	1,279	683	1,962	23,475
Technology	5,239	3,840	820	3,280	2,460	15,639	820	1,640	2,460	18,099
Supplies	13,574	4,290	12,933	3,837	30,195	64,829	1,882	2,538	4,420	69,249
Printing and publications	419	204	68	272	484	1,447	963	1,663	2,626	4,073
Professional fees	19,986	-	95,278	-	5,800	121,064	63,698	2,000	65,698	186,762
Volunteer training	-	2,396	-	-	-	2,396	-	-	-	2,396
Insurance	13,084	5,265	11,812	4,413	9,350	43,924	5,552	3,075	8,627	52,551
Equipment rental and maintenance	11,221	1,839	1,097	4,395	5	18,557	2,722	3,843	6,565	25,122
Program evaluation	-	-	5,000	500	77	5,577	-	-	-	5,577
Miscellaneous expenses	311	86	7,438	142	447	8,424	15,950	423	16,373	24,797
Recruitment and screening	701	1,410	105	50	70	2,336	160	20	180	2,516
Membership dues	1,000	375	800	-	-	2,175	139	-	139	2,314
Life insurance	132	99	132	53	140	556	20	31	51	607
Awards and grants	-	-	6,779	-	-	6,779	-	-	-	6,779
Total expenses	\$ 977,560	\$ 331,019	\$ 796,212	\$ 333,959	\$ 584,968	\$ 3,023,718	\$ 186,296	\$ 200,421	\$ 386,717	\$ 3,410,435

See accompanying notes to financial statements.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Statements of Functional Expenses, Continued
Year Ended June 30, 2022

	Program Services					Total Program Services	Support Services		Total Support Services	Total
			Community	Family	Circle		Management	Fundraising		
	CAC	CASA	Programs	Support	Preschool		and General			
Salaries and wages	\$ 603,227	\$ 244,650	\$ 545,799	\$ 205,033	\$ 409,369	\$ 2,008,078	\$ 56,666	\$ 136,329	\$ 192,995	\$ 2,201,073
Employee benefits	36,503	18,036	40,913	15,616	39,171	150,239	2,368	8,524	10,892	161,131
Payroll taxes	45,407	18,342	40,461	15,425	29,317	148,952	4,223	10,272	14,495	163,447
Occupancy expenses	119,053	31	13,695	21,975	35,573	190,327	13,172	20	13,192	203,519
Travel and meetings	7,029	2,070	6,073	1,883	1,766	18,821	2,635	2,748	5,383	24,204
Depreciation	2,664	1,332	444	1,776	1,332	7,548	444	888	1,332	8,880
Development and training	4,787	234	1,384	217	2,503	9,125	215	20	235	9,360
Postage and shipping	317	278	76	479	102	1,252	564	516	1,080	2,332
Telephone	16,739	923	1,690	2,397	829	22,578	1,258	647	1,905	24,483
Technology	4,844	3,802	807	3,230	2,422	15,105	807	1,615	2,422	17,527
Supplies	13,811	4,156	8,597	2,287	27,700	56,551	2,131	2,470	4,601	61,152
Printing and publications	337	169	3,817	225	169	4,717	82	1,165	1,247	5,964
Professional fees	7,991	-	61,635	-	5,135	74,761	45,793	-	45,793	120,554
Volunteer training	-	1,416	-	-	-	1,416	-	-	-	1,416
Volunteer recognition	-	345	-	-	-	345	-	-	-	345
Insurance	7,760	3,054	8,066	2,909	5,421	27,210	5,436	1,926	7,362	34,572
Equipment rental and maintenance	11,849	1,833	913	2,932	-	17,527	1,491	3,588	5,079	22,606
Program evaluation	5	-	5,132	500	203	5,840	-	-	-	5,840
Miscellaneous expenses	455	160	1,469	364	2,549	4,997	12,773	644	13,417	18,414
Recruitment and screening	234	1,118	219	174	176	1,921	19	17	36	1,957
Membership dues	2,139	397	807	174	22	3,539	126	15	141	3,680
Bad debt	-	-	-	-	-	-	3,500	-	3,500	3,500
Total expenses	\$ 885,151	\$ 302,346	\$ 741,997	\$ 277,596	\$ 563,759	\$ 2,770,849	\$ 153,703	\$ 171,404	\$ 325,107	\$ 3,095,956

See accompanying notes to financial statements.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 306,131	\$ 646,508
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	11,340	8,880
Investment (income) loss, net of investment fees	(9,248)	14,143
Donations of marketable securities	(17,781)	-
Changes in assets and liabilities:		
Accounts receivable, net of allowances	(5,284)	70,557
Grants receivable	(108,539)	(7,303)
Pledges receivable, net of allowances	3,572	(204,527)
Prepaid expenses and other assets	21,004	558
Accounts payable	4,893	5,625
Accrued payroll liabilities	2,769	41,514
Deferred revenue	-	(15,000)
Deferred rent	(11,749)	(993)
Operating lease assets and liabilities, net	6,735	-
Net cash provided by operating activities	203,843	559,962
Cash flows from investing activities:		
Purchases of property and equipment	(24,662)	(17,287)
Investment of endowment funds with The Community Foundation	(2,689)	-
Net cash used in investing activities	(27,351)	(17,287)
Change in cash	176,492	542,675
Cash, beginning of year	2,831,582	2,288,907
Cash, end of year	\$ 3,008,074	\$ 2,831,582
Non-cash transactions:		
Operating right-of-use assets obtained through lease liabilities	\$ 265,656	\$ -

See accompanying notes to financial statements.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements

1. Organization and Business:

Greater Richmond SCAN (Stop Child Abuse Now), Inc. (“SCAN” or the “Organization”) is a not-for-profit, charitable organization operated under Internal Revenue Code Section 501(c)(3).

SCAN, founded in 1991, is dedicated to the prevention and treatment of child abuse and neglect in the Greater Richmond, Virginia area. SCAN protects children from abuse and neglect by providing the awareness, support, education, and advocacy needed to enhance the lives of children. SCAN’s services promote positive parenting, strengthen families, and help create a community that values and cares for its children. SCAN’s programs include:

Child Advocacy Center (“CAC”) – SCAN opened a child advocacy center in the City of Richmond in November 2004. Henrico Satellite CAC center was opened in March 2016. The Child Advocacy Center is a place for abused children and their non-offending family to receive child forensic interviews, mental health treatment, medical services, victim advocacy, multidisciplinary case review and case tracking in one physical location.

Court Appointed Special Advocates (“CASA”) – The program provides trained volunteers who advocate for the best interests of children involved in the Juvenile and Domestic Relations District Court process. CASA also seeks to assure safe and permanent homes for all children.

Community Programs, encompassing all of SCAN’s programs and initiatives at the organizational, community and state level, focuses on the prevention of child maltreatment through the advancement of protective factors and trauma-informed approaches. Community Programs includes: Trauma-Informed Community Network (“TICN”), a diverse group convened by SCAN of over 500 members from over 150 different organizations representing a wide range of systems, all with a shared commitment toward creating a more trauma-informed and resilient community; and Families are Magic (“FAM”), which offers parenting education and resources to parents, caregivers and professionals who work with children. Through its Public Education Program, SCAN also coordinates Greater Richmond’s National Child Abuse Prevention Month public awareness campaign.

Family Support Program (“FSP”) – SCAN’s Family Support Program seeks to strengthen families and give caregivers the tools they need to provide healthy homes for their children. FSP provides services along a continuum, ranging from primary prevention activities, such as parent education workshops for grandparents and intimate partner violence survivors, to tertiary intervention, such as intensive, psycho-educational and treatment groups for families directly affected by abuse.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

1. Organization and Business, Continued:

Circle Preschool – In February 2011 SCAN began partnering with St. James’s Children’s Center to implement a pilot therapeutic preschool program for children who have experienced trauma called The Circle Preschool Program (“CPP”). In 2020, CPP moved into space within the YWCA Richmond’s Sprout School location on Bainbridge Street. The preschool is based on best practices grounded in national and local research and is the first of its kind in the Richmond area. Through the Circle Preschool Program, SCAN prepares children who have social and emotional challenges for long-term educational success before they enter kindergarten. The healing and growth at the Circle Preschool goes beyond the classroom to reach students, teachers and professionals throughout the Greater Richmond area and across the state through professional development, ongoing consultation, and speaking engagements to share staff expertise.

SCAN’s services are primarily funded through contributions, grants and revenues from special events.

2. Summary of Significant Accounting Policies:

Basis of Accounting: The accompanying financial statements of SCAN have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Basis of Presentation: The Organization is required to report amounts separately by class of net assets as follows:

Net Assets Without Donor Restrictions: Net assets currently available at the discretion of the Board of Directors for use in the Organization’s operations.

Net Assets With Donor Restrictions: Net assets which are stipulated by donors for specific operating purposes, or are restricted to investments in perpetuity, the income from which is expendable in accordance with the conditions of each specific donation. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Revenues are reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets. The Organization has a policy in which contributions with donor restrictions where the purpose is met within the same fiscal year is reported as increases to net assets without donor restrictions. As of June 30, 2023 and 2022, the Organization had no net assets restricted by donors in perpetuity.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

2. Summary of Significant Accounting Policies, Continued:

Cash and Cash Equivalents: For purposes of the statement of cash flows, SCAN considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Contributions: 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 barriers and a right of return - are not recognized until the conditions on which they depend have been met. At June 30, 2023, the Organization had received securities at a fair market value of \$17,781. These securities are included in the statement of financial position and were sold after year end.

Donated Services: The Organization receives in-kind contributions of legal services, and such contributions are recorded at the estimated fair market value of the services using invoices provided by the attorney. In-kind contributions of legal services with a value of \$28,381 and \$7,079 were received in the years ended June 30, 2023 and 2022, respectively.

Revenue Recognition: The Organization recognizes revenue from exchange transactions in accordance with Financial Accounting Standards Board (FASB) guidance contained in Revenue from Contracts with Customers (Topic 606).

The majority of the Organization's program revenue consists of clinical and mental health treatment, tuition revenue from Circle Preschool, training and education programs, and consulting fees.

Except for training and education program revenue, the Organization recognizes a majority of its program revenue over time upon the transfer of control of products or services to its clients. Training and education program revenue is recognized at a point in time when the related training or education program occurs. Economic factors may impact the nature, amount, and timing of revenue recognition.

Clinical and mental health treatment, tuition revenue, and consulting fee program revenues are reported at the amount that reflects the consideration the Organization expects to receive in exchange for the services provided. These amounts are due from clients on a weekly or monthly basis. Performance obligations are determined based on the nature of the services provided and revenue is recognized as the performance obligations are satisfied.

Clinical and mental health treatment, tuition revenue, and consulting fee program revenues are primarily derived from providing various services to clients at a stated weekly or monthly fee.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

2. Summary of Significant Accounting Policies, Continued:

Revenue Recognition, Continued: The Organization determined the services included in the monthly fee have the same timing and pattern of transfer and are a series of distinct services that are considered one performance obligation which is satisfied over time as services are provided. Therefore, clinical and mental health treatment, tuition revenue, and consulting fee program monthly fees are recognized on a month-to-month basis.

A contract asset is the Organization's right to consideration in exchange for goods or services the Organization has transferred to a client. Contract liabilities represent consideration received from a client before the Organization has transferred a good or service to the client. There were no contract assets as of June 30, 2023, June 30, 2022, and June 30, 2021. There were no contract liabilities as of June 30, 2023, June 30, 2022, and June 30, 2021.

Pledges and Grants Receivable: The Organization uses the allowance method for estimates of uncollectible receivables. The allowance is based on historical collection rates and an analysis of individual receivables. Based on this analysis, the allowance for uncollectible receivables amounted to \$2,924 for 2023 and \$3,462 for 2022.

Accounts Receivables, Net of Allowance: SCAN uses the allowance method of accounting for bad debts. The allowance for doubtful accounts amounted to \$2,176 for 2023 and \$1,638 for 2022. Accounts receivable was \$77,221 as of June 30, 2023, \$71,937 as of June 30, 2022, and \$142,494 as of June 30, 2021.

Property and Equipment: Property and equipment is stated at cost, net of accumulated depreciation. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. Equipment and leasehold improvements have a useful life of three to seven years, while furniture has a useful life of five to seven years. Repairs and maintenance are expensed as incurred.

Estimates: The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and disclosure of contingent assets and liabilities for the reported periods. Actual results could differ from those estimates and assumptions.

Credit Risk: Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, accounts receivable, grants receivable, and pledges receivable. SCAN places its cash with financial institutions located in Richmond, Virginia. At times, these balances are in excess of the FDIC insurance limit. Accounts receivable are from various third party reimbursements. Pledges receivable are from individuals, organizations and foundations located primarily in the United States. Grants receivable are from various government organizations. SCAN believes its credit risk related to these receivables is limited due to the number and diversity of its donors.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

2. Summary of Significant Accounting Policies, Continued:

Income Tax Uncertainties: The Organization follows guidance related to accounting for uncertainty in income taxes, which clarifies the accounting for income taxes by prescribing the minimum recognition threshold that a tax position is required to meet before being recognized in the Organization's financial statements. In accordance with the guidance, the Organization discloses the expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the facts and the Organization's position and records unrecognized tax benefits or liabilities for known, or anticipated tax issues based on the Organization's analysis of whether additional taxes would be due to the authority given their full knowledge of the tax position. The Organization has completed its assessment and determined that there were no tax positions which would require recognition. The Organization is not currently under audit by any tax jurisdiction.

Functional Allocation of Expenses: The costs of providing the various program and supporting services have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services based on a time and cost study of where efforts are made.

Leases: In February 2016, the FASB issues ASU 2016-02, *Leases (Topic 842)*, which supersedes ASC 840 and creates a new topic, ASC 842. ASC 842 requires lessees to recognize a right-of-use asset and lease liability on the statement of financial position for substantially all leases with a term of 12 months or greater. Leases are classified as either finance or operating, with classification affecting expense recognition in the Organization's operations.

The lease liabilities are initially measured at the present value of future lease payments, measured on a discounted basis, as of the lease commencement date or the adoption date, whichever is later. The right-of-use assets are initially measured at the value of the lease liability, adjusted for initial direct lease costs, lease incentives, and prepaid or deferred rent. The Organization elected to use the risk-free discount rate for any leases for which the rate implicit in the lease was not readily determinable. The right-of-use assets and lease liabilities are calculated to include options to extend or terminate the lease when the Organization determines it is reasonably certain it will exercise those options. In making those determinations, the Organization considers various existing economic and market factors, business strategies as well as the nature, length, and terms of the lease agreements.

At July 1, 2022, the Organization adopted the provisions of ASC 842, using the modified retrospective adoption method. In addition, the Organization utilized the simplified transition option available under ASC 842, which allows entities to continue to apply legacy guidance in ASC 840, including its disclosure requirements, in the comparative periods presented in the year of adoption.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

2. Summary of Significant Accounting Policies, Continued:

Leases, Continued: Upon adoption of ASC 842, the Organization elected the transitional package of practical expedients that allow an entity to not reassess (1) whether any expired or existing contracts contain a lease, (2) the lease classification of any expired or existing lease, and (3) initial direct costs for any existing lease, and the use of hindsight in determining the lease term. In addition, the Organization elected to not record a lease liability and corresponding right-of-use asset for leases with terms of 12 months or less, and to account for lease and non-lease components as a single lease component.

The adoption of ASC 842 resulted in the recognition of an operating right-of-use asset of \$265,656 and lease liability of \$277,405 as of July 1, 2022. The standard did not materially impact the Organization's statements of activities and cash flows.

Subsequent Events: Management has evaluated subsequent events through November 8, 2023, the date the financial statements were available to be issued, and has determined there are no subsequent events to be reported in the accompanying financial statements.

3. Pledges Receivable:

At June 30, 2023 and 2022, SCAN had received unconditional promises to give amounting to \$259,935 and \$263,507, respectively. The amount at June 30, 2022 was collected during 2023. Unconditional promises to give totaling \$235,935 are expected to be collected within one year of the fiscal year-end. Unconditional promises to give totaling \$25,000 are expected to be collected by fiscal year 2025. Management determined a discount on unconditional promises to give was immaterial as of June 30, 2023.

4. Beneficial Interest in Assets Held by The Community Foundation:

During 2021, the Organization with the help of The Community Foundation established the Joan M. O'Donnell, Esq. Endowment Fund for Greater Richmond SCAN ("the Endowment") with funds designated without donor restrictions. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Endowment is administered by The Community Foundation and is subject to certain terms and conditions regarding access to principal. The Organization may not access the principal balance of the Endowment unless there is an affirmative vote of three-fourths of the Board of Directors, and not more than once in any four-year period, the Organization may request a second distribution from the Endowment up to 10% of the prior year-end balance so long as the following conditions are met: (i) the distribution is for the purpose of acquiring or renovating a capital asset; (ii) the Organization is faced with an unexpected financial need that is not likely to recur, and the distribution will enable the Organization to meet those needs; or (iii) the distribution is believed to be in the best interest of the community.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

4. Beneficial Interest in Assets Held by The Community Foundation, Continued:

The Community Foundation's Board of Governors has full authority and discretion as to the investment of the assets, as well as certain variance power as defined in the agreement. If all the above conditions are met, the Organization can request a distribution up to 10% of the prior year-end balance.

The funds for the Endowment are included in beneficial interest in assets held by The Community Foundation on the accompanying statements of financial position. The Endowment had a balance of \$97,832 and \$85,895 as of June 30, 2023 and 2022, respectively.

5. Line of Credit:

The Organization has available a \$75,000 operating line of credit with a bank due in May 2024. Interest on funds advanced is payable monthly at the bank's prime rate plus 6.75% (15.00% at June 30, 2023 and 11.50% at June 30, 2022). The line of credit is secured by substantially all the assets of the Organization. At June 30, 2023 and 2022, there were no balances outstanding on the line of credit.

6. Defined Contributions Plan:

SCAN has adopted a defined contribution plan (the "Plan") under Section 403(b) of the Internal Revenue Code. During 2023 and 2022, the Plan provided for a non-discretionary match of 25% of employee contributions up to a maximum employee deferral of 8%. Expenses associated with this Plan were \$27,811 for 2023 and \$22,295 for 2022.

7. Lease Commitments:

On April 1, 2014, SCAN entered into an operating lease for office space on Grace Street in downtown Richmond. The facility is used to house SCAN's Child Advocacy Center and administrative offices. This lease is a combination of an existing lease of the previous space leased on 103 E. Grace Street and an addition of 101 E Grace Street under one lease, which expires March 31, 2024.

On February 1, 2016, SCAN entered into an operating lease for office space on Bremond Road in Richmond. The facility is used to house SCAN's Child Advocacy Center. On June 25, 2019, SCAN amended the operating lease, which added an additional 400 square feet of space. This lease is set to expire on January 31, 2024.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

7. Lease Commitments, Continued:

The minimum lease payments for the office leases at June 30, 2023 are as follows:

<u>Year Ending June 30:</u>	<u>Amount</u>
2024	\$ 117,316
Less amount representing interest	<u>(1,285)</u>
Total operating lease liabilities	<u>\$ 116,031</u>

Weighted average remaining lease terms and discount rates at June 30, 2023 are as follows:

Weighted-average remaining lease terms (years):	1.7
Weighted-average discount rates:	2.8%

Operating lease cost totaled \$213,655 during 2023 and \$202,528 for 2022, respectively.

On February 2, 2021, SCAN entered into an operating lease for class room space on Bainbridge Road in Richmond. The facility is used to house SCAN's Circle Preschool Program. On June 30, 2021, SCAN amended the operating lease, which extends the lease term indefinitely unless written notice of non-renewal is provided at least three months prior to the intended termination date. Management determined that because this lease can be terminated at any time with a three-month notice, it meets the criteria for a short-term lease and is not included in operating right-of-use assets and liabilities. Short term lease cost totaled \$9,600 both 2023 and 2022.

8. Commitments:

On September 16, 2020, SCAN entered into an agreement with the YWCA Richmond ("YWCA") to share the costs of a lease agreement entered into between YWCA and an unaffiliated third party. As part of the agreement, SCAN will fund its share of the costs which is expected to be \$32,000 per year. This space will be used for SCAN's Circle Preschool. On March 16, 2022, SCAN entered into a second agreement with the YWCA for additional shared space. As part of the agreement, SCAN will pay the YWCA monthly rent of \$1,384. Both agreements will be automatically extended for additional one-year periods unless written notice of non-renewal is provided at least 60 days prior to the renewal date.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

8. Commitments, Continued:

Future expected payments under the agreements at June 30, 2023 were as follows:

<u>Year Ending June 30:</u>	<u>Amount</u>
2024	\$ 38,844
2025	<u>33,120</u>
	<u>\$ 71,964</u>

9. Net Assets With Restrictions:

Net assets with donor imposed restrictions are to be used towards the following specified programs or services as of June 30:

	<u>2023</u>	<u>2022</u>
CASA	\$ -	\$ 11,061
Family Support Program	9,743	12,238
Community Program	165,036	239,703
Child Advocacy Center	134,333	121,034
Circle Preschool	28,726	166,010
Salaries for Mental Health Services	<u>62,799</u>	<u>104,987</u>
	<u>\$ 400,637</u>	<u>\$ 655,033</u>

Net assets released from restrictions were as follows for the year ended June 30:

	<u>2023</u>	<u>2022</u>
CASA	\$ 38,061	\$ 23,939
Family Support Program	57,495	91,509
Covid supplies (all programs)	-	2,964
Community Program	232,439	127,157
Child Advocacy Center	222,774	164,775
Circle Preschool	219,784	153,545
Travel and supplies	-	1,864
Salaries for Mental Health Services	<u>197,188</u>	<u>78,995</u>
	<u>\$ 967,741</u>	<u>\$ 644,748</u>

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Financial Statements, Continued

10. Liquidity and Availability of Financial Assets:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the financial statement date, comprise the following:

	<u>2023</u>	<u>2022</u>
Cash	\$ 3,008,074	\$ 2,831,582
Marketable securities	17,781	-
Accounts receivable, net of allowances	77,221	71,937
Grants receivable	186,942	78,403
Pledges receivable	<u>259,935</u>	<u>263,507</u>
Total	3,549,953	3,245,429
Net assets with donor restrictions	<u>400,637</u>	<u>655,033</u>
Financial assets available in one year for general expenditure	<u>\$ 3,149,316</u>	<u>\$ 2,590,396</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization has a committed line of credit in the amount of \$75,000, which it could draw upon as described in Note 5. The Organization also has investments held at The Community Foundation for a greater Richmond ("The Community Foundation") in the Endowment, which could be used if certain conditions are met as described in Note 4.

11. New Accounting Pronouncements:

Current Expected Credit Losses: In June 2016, the FASB issued ASU 2016-13 – Current Expected Credit Losses ("CECL"), which replaces the current incurred loss model used to measure impairment loss with the expected loss model for financial assets measured at amortized cost. The standard will be effective for not-for-profit entities with years beginning after December 15, 2022. The Organization is currently evaluating the impact that CECL will have on its financial reporting.

SUPPLEMENTAL INFORMATION

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
Department of Justice:				
Victims of Child Abuse	16.575	VA Department of Criminal Justice Services	22-C4126VP20	\$ 166,189
National Court Appointed Special Advocate	16.575	VA Department of Criminal Justice Services	473153	78,299
Child Advocacy Centers	16.575	VA Department of Social Services	FAM-22-100-09	<u>294,407</u>
Total expenditures under Federal Assistance Listing No. 16.575				538,895
Child Advocacy Centers	16.758	National Children's Alliance	RICH-VA-CORE22	55,996
Total Department of Justice				<u>594,891</u>
Department of Treasury:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	City of Richmond	Unknown	20,000
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Virginia Early Childhood Foundation	ARP03432-E	5,110
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	VA Department of Social Services	OTR-23-036	9,758
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	VA Department of Social Services	FAM-22-080	139,144
Total expenditures under Federal Assistance Listing No. 21.027 / Department of Treasury				<u>174,012</u>
Department of Health and Human Services:				
Injury Prevention and Control Research	93.136	VA Department of Health	709BY210033	107,467
Child Abuse and Neglect Prevention	93.590	VA Department of Social Services	FAM-21-073-16	17,472
Child Advocacy Centers - 477 Cluster	93.558	VA Department of Social Services	FAM-22-100-09	138,912
Total Department of Health and Human Services				<u>263,851</u>
Department of Agriculture:				
The Child and Adult Care Food Program	10.558	N/A	Unknown	7,314
Total				<u>\$ 1,040,068</u>

See independent auditor's report.

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Greater Richmond SCAN (Stop Child Abuse Now), Inc. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) 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 Greater Richmond SCAN (Stop Child Abuse Now), Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Greater Richmond SCAN (Stop Child Abuse Now), Inc.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported 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.

Note 3 – Indirect Cost Rate

Greater Richmond SCAN (Stop Child Abuse Now), Inc. has elected not to use the 10% de minimis indirect cost rate.

**INDEPENDENT AUDITOR’S 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**

To the Board of Directors
Greater Richmond SCAN (Stop Child Abuse Now), Inc.
Richmond, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States 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 Greater Richmond SCAN (Stop Child Abuse Now), Inc. (a nonprofit organization) (the “Organization”) which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 8, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization’s internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we 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 a 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 a 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.

Our 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 our audit we did not identify any deficiencies in internal control that we 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, we 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our 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 our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Keita", with a stylized flourish at the end.

November 8, 2023
Glen Allen, Virginia

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
Greater Richmond SCAN (Stop Child Abuse Now), Inc.
Richmond, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Greater Richmond SCAN (Stop Child Abuse Now), Inc.'s (a nonprofit organization) (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the *U.S. Office of Management and Budget ("OMB") Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023. 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.

In our opinion, the Organization 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 June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Keiter", with a stylized flourish at the end.

November 8, 2023
Glen Allen, Virginia

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

A. SUMMARY OF AUDIT RESULTS:

- (1) The auditor's report expresses an unmodified opinion on the basic financial statements.
- (2) No material weaknesses or significant deficiencies in internal control were disclosed during the audit.
- (3) No noncompliance which is material to the financial statements was disclosed by the audit of the financial statements.
- (4) No material weaknesses or significant deficiencies relating to the audit of the major federal award programs were disclosed by the audit.
- (5) The auditor's report on compliance for the major federal award programs expresses an unmodified opinion on compliance for major programs.
- (6) No audit findings were disclosed by the audit.
- (7) Major Programs:
 - 16.575 – Child Advocacy Centers
 - 16.575 – Victims of Child Abuse
 - 16.575 – National Court Appointed Special Advocate
- (8) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (9) The auditee did not qualify as a low risk auditee.

B. FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS:

None

C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

None

GREATER RICHMOND SCAN (STOP CHILD ABUSE NOW), INC.

Corrective Action Plan
Year Ended June 30, 2023

Not Applicable