Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC

Financial Statements
with Report of Independent Auditors
For the Year Ended December 31, 2022 and 2021

Report of Independent Auditors

To the Board of Directors of
Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC :

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC, which comprise the consolidated statements of financial position as of December 31, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the 2022 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC as of December 31, 2022, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Consolidated Financial Statements section of our report. We are required to be independent of Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC adopted accounting standards changes related to accounting for and disclosing leasing arrangements, effective January 1, 2021. Our opinion is not modified with respect to this matter.

Adjustments to Prior Period Financial Statements

The consolidated financial statements of Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC as of December 31, 2021 were audited by other auditors whose report dated April 12, 2022, expressed an unmodified opinion on those financial statements. As discussed in Note 2 to the consolidated financial statements, Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC have adjusted their 2021 consolidated financial statements to retrospectively apply the change in accounting for leasing arrangements. The other auditors reported on the consolidated financial statements before the retrospective adjustment.

As part of our audit of the 2022 consolidated financial statements, we also audited the adjustments to the 2021 consolidated financial statements to retrospectively apply the change in accounting as described in Note 2. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC's 2021 consolidated financial statements other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2021 consolidated financial statements as a whole.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations 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 consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the consolidated 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 September 27, 2023, on our consideration of Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC's internal control over financial reporting and on our tests of their 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 Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 Center for Child Protection, Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC's internal control over financial reporting and compliance.

Novogradac & Company LLP

Austin, TX
September 27, 2023
Austin, TX

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2022

	2022	Restated 2021
ASSETS		
Current assets		
Cash and cash equivalents	$ 3,343,697	2,679,974
Receivables		
Grants and contracts	1,025,714	1,342,908
Promises to give, net	340,873	568,156
Rents and other receivables	292,473	72,585
Prepaid expenses	114,949	61,230
Inventory - thrift store	62,121	61,234
Investments	40,540	49,015
Total current assets	5,220,367	4,835,102
Non-current promises to give, net	788,261	798,566
Right of use asset - operating	499,447	262,194
Fixed assets, net of accumulated depreciation	5,181,812	5,381,592
Other Assets	13,167	13,167
Total assets	$ 11,703,054	11,290,621
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 165,760	$ 119,886
Payroll and related liabilities	180,131	26,211
Accrued vacation payable	16,693	154,181
Deferred revenue	46,743	51,354
Prepaid rent	-	6,267
Accrued interest payable	4,872	4,999
Current portion of lease liability - operating	117,257	56,454
Current portion of note payable	41,444	40,705
Total current liabilities	572,900	460,057
Long-term liabilities		
Note payable, net current portion	1,439,914	1,475,458
Lease liability - operating	403,007	213,088
Straight-line rent liability	8,684	7,349
Total long-term liabilities	1,851,605	1,695,895
Total liabilities	2,424,505	2,155,952
Net Assets		
Without Donor Restrictions		
Available for current operations	3,991,279	3,581,305
Board designated	132,659	132,713
Investment in fixed assets	3,700,454	3,865,429
Total net assets without donor restrictions	7,824,392	7,579,447
With Donor Restrictions	1,454,157	1,555,222
Total net assets	9,278,549	9,134,669
Total liabilities and net assets	$ 11,703,054	11,290,621

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended December 31, 2022

	Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Grants and contracts	$ 3,763,118	$ 357,500	$ 4,120,618
Contributions	845,390	471,976	1,317,366
Fundraising activity			
Fundraising income	2,810,268	-	2,810,268
Direct benefit to donors	(856,677)	-	(856,677)
Net fundraising activity	1,953,591	-	1,953,591
Rental income	248,637	-	248,637
Thrift store sales	163,122	-	163,122
Donated thrift store goods	886	-	886
In-kind donations	20,000	-	20,000
Guild Memberships	8,700	-	8,700
Training honorariums	100	-	100
Gain (loss) on investments	(9,867)	-	(9,867)
Other income	1,413	-	1,413
Net assets released from donor imposed restrictions	930,541	(930,541)	-
Total revenues and other support	7,925,631	(101,065)	7,824,566
EXPENSES			
Program services			
Assistance to children	6,404,164	-	6,404,164
Supporting services			
Management and general	598,674	-	598,674
Fundraising	677,848	-	677,848
Total expenses	7,680,686	-	7,680,686
CHANGE IN NET ASSETS	244,945	(101,065)	143,880
NET ASSETS			
Beginning of year	7,579,447	1,555,222	9,134,669
End of year	7,824,392	1,454,157	9,278,549

see accompanying notes

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended December 31, 2021 (RESTATED)

	Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Grants and contracts	$ 4,188,979	$ 143,450	$ 4,332,429
Contributions	1,014,554	402,800	1,417,354
Fundraising activity			
Fundraising income	2,303,538	-	2,303,538
Direct benefit to donors	(671,632)	-	(671,632)
Net fundraising activity	1,631,906	-	1,631,906
Rental income	239,195	-	239,195
Thrift store sales	113,188		113,188
Donated thrift store goods	872		872
Guild Memberships	9,150	-	9,150
Training honorariums	1,200	-	1,200
Gain (loss) on investments	259	-	259
Other income	177	-	177
Net assets released from donor		-	-
imposed restrictions	463,309	(463,309)	-
Total revenues and other support	7,662,789	82,941	7,745,730
EXPENSES			
Program services			
Assistance to children	6,034,832	-	6,034,832
Supporting services			
Management and general	72,001	-	72,001
Fundraising	876,122	-	876,122
Total expenses	6,982,955	-	6,982,955
CHANGE IN NET ASSETS	679,834	82,941	762,775
NET ASSETS			
Beginning of year	6,899,613	1,472,281	8,371,894
End of year	7,579,447	1,555,222	9,134,669

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2022

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total
EXPENSES				
Salaries	$ 3,664,529	$ 377,595	$ 366,144	$ 4,408,268
Benefits	487,502	51,292	49,736	588,530
Payroll taxes	298,058	29,731	28,830	356,619
Total personnel costs	4,450,089	458,618	444,710	5,353,417
Depreciation	468,676	48,379	46,912	563,967
Rent Expense	205,860	7,967	7,725	221,552
Utilities	113,737	11,779	11,422	136,938
Software licensing	84,660	8,508	8,250	101,418
Equipment rental	78,353	8,244	7,994	94,591
Repairs and maintenance	92,966	9,592	9,301	111,859
Telephone/Internet	87,701	8,833	8,565	105,099
Network maintenance	60,946	6,412	6,218	73,576
Interest	55,432	5,832	5,655	66,919
Uncollectible pledges	47,617	5,010	4,858	57,485
Community outreach	94,443	-	-	94,443
Professional fees	25,861	2,651	2,570	31,082
Fundraising	-	-	97,330	97,330
Office/household supplies	65,413	6,883	6,674	78,970
Insurance	51,387	5,271	5,111	61,769
Program supplies	50,442	-	-	50,442
Staff training	28,690	-	-	28,690
Direct assistance to clients	43,950	-	-	43,950
Accounting fees	27,930	2,939	2,850	33,719
Travel and mileage	57,562	-	-	57,562
Counseling	14,346	-	-	14,346
Printing, postage and delivery	21,307	-	-	21,307
Multidisciplinary training	51,860	-	-	51,860
Personnel costs	23,694	981	951	25,626
Membership fees	10,748	-	-	10,748
Marketing & advertising	39,925	-	-	39,925
Credit card discounts	11,127	-	-	11,127
Contract labor	11,796	-	-	11,796
Fire/Alarm/Elevator	7,095	746	724	8,565
Translation	6,818	-	-	6,818
Friends of Christopher Guild	13,277	-	-	13,277
Miscellaneous	456	29	28	513
Total expenses	$ 6,404,164	$ 598,674	$ 677,848	$ 7,680,686

see accompanying notes

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2021 (RESTATED)

		Supporting Services		
	Program Services	Management and General	Fundraising	Total
EXPENSES				
Salaries	$ 3,457,503	$ 24,573	$ 504,721	$ 3,986,797
Benefits	490,219	3,536	72,640	566,395
Payroll taxes	267,081	1,837	37,741	306,659
Total personnel costs	4,214,803	29,946	615,102	4,859,851
Depreciation	553,603	3,935	80,823	638,361
Rent Expense	185,628	608	19,843	206,079
Utilities	119,898	850	17,450	138,198
Software licensing	93,833	651	13,373	107,857
Equipment rental	83,484	602	12,370	96,456
Repairs and maintenance	71,833	483	9,929	82,245
Telephone/Internet	67,720	460	9,440	77,620
Network maintenance	63,009	455	9,337	72,801
Interest	59,134	427	8,763	68,324
Uncollectible pledges	57,837	417	8,570	66,824
Community outreach	60,609	-	-	60,609
Professional fees	25,126	32,240	3,045	60,411
Fundraising	-	-	55,793	55,793
Office/household supplies	47,136	340	6,985	54,461
Insurance	46,881	328	6,729	53,938
Program supplies	36,530	-	-	36,530
Staff training	35,395	-	-	35,395
Direct assistance to clients	34,257	-	-	34,257
Accounting fees	21,032	152	3,116	24,300
Travel and mileage	21,888	-	-	21,888
Counseling	20,355	-	-	20,355
Printing, postage and delivery	17,121	-	-	17,121
Multidisciplinary training	17,000	-	-	17,000
Personnel costs	14,175	50	1,018	15,243
Membership fees	13,899	-	-	13,899
Marketing & advertising	10,194	-	-	10,194
Credit card discounts	8,844	-	-	8,844
Contract labor	8,159	-	609	8,768
Fire/Alarm/Elevator	6,651	48	985	7,684
Translation	5,913	-	-	5,913
Friends of Christopher Guild	3,846	-	-	3,846
Miscellaneous	1,691	9	190	1,890
Total expenses	$ 6,027,484	$ 72,001	$ 883,470	$ 6,982,955

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2022 and 2021

	2022	Restated 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 143,880	$ 770,123
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Non cash items in change in net assets:		
Lease expense	13,469	7,348
Depreciation	563,967	638,361
Amortization	4,692	4,692
(Gain) loss on investments	149	(259)
(Increase) decrease in operating assets:		
Receivables:		
Grants and contracts	317,194	(495,044)
Promises to give	237,588	(170,654)
Rents and other receivables	(219,888)	58,594
Prepaid expenses	(53,719)	40,755
Inventory - thrift store	(887)	(872)
Increase (decrease) in operating liabilities:		
Accounts payable	45,874	24,825
Payroll related liabilities	153,920	24,794
Accrued vacation payable	(137,488)	755
Deferred revenue	(4,611)	31,733
Prepaid rent	(6,267)	105
Accrued interest payable	(127)	(122)
Straight-line rent liability	1,335	(697)
Net cash provided by operating activities	1,059,081	934,437
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(364,187)	(255,644)
Sale (purchase) of investments	8,326	(8,378)
Net cash used in investing activities	(355,861)	(264,022)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt	(39,497)	(38,098)
Proceeds from draw on long-term debt	-	151,638
Net cash provided by (used in) financing activities	(39,497)	113,540
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	663,723	783,955
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	$ 2,679,974	$ 1,903,367
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 3,343,697	$ 2,679,974
CASH AND CASH EQUIVALENTS	$ 3,343,697	$ 2,679,974
TOTAL CASH AND CASH EQUIVALENTS	$ 3,343,697	$ 2,679,974
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 71,530	$ 63,632
Disposal of fully depreciated assets	$ -	$ 241,770
Right of use asset at adoption of ASC 842	$ -	$ 300,288

see accompanying notes

1. General

Center for Child Protection (the "Center") is a Texas non-profit corporation established in 1989. The primary purpose of the Center is to operate service centers for the benefit of abused children which coordinates investigation, counseling, medical assistance, advocacy and educational services to assist victims of child abuse.

Tomorrow's Child Legacy Project Foundation (the "Foundation") is a Texas non-profit corporation established in 2014. The Center controls the majority voting interest of the Foundation. The primary purpose of the Foundation is to support the prevention of child abuse and successful early intervention.

DoubleTake Austin, LLC (the "Store") is a Texas limited liability company established in 2019. The Center is the sole member of the Store. The primary purpose of the Store is to operate a thrift store to support the charitable purpose of the Center.

Collectively, the Center, the Foundation, and the Store are referred to as the "Organization."

2. Summary of significant accounting policies and nature of operations

Basis of accounting
The Organization has adopted FASB ASC 958 *Not-for Profit Entities*. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The financial statements of the Organization have been prepared on the accrual basis method of accounting, which includes recognition of revenues and expenses as earned or incurred.

Principles of consolidation
The accompanying consolidated financial statements present the consolidated financial position and changes in net assets of the Organization. All significant transactions have been eliminated in consolidation.

Cash and cash equivalents
Cash and cash equivalents include all cash balances on deposit with financial institutions and highly liquid investments with a maturity of three months or less at the date of acquisition.

Concentration of credit risk
The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

During 2022 and 2021, the Organization received approximately 47% and 45%, respectively, of its total revenue from cost-reimbursement grants with one funding source.

Federal income taxes
The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization believes it is no longer subject to examination by the IRS for years prior to 2019.

2. Summary of significant accounting policies and nature of operations (continued)

Federal income taxes (continued)
The Organization has adopted the FASB guidance for recognition of uncertain tax positions. Interest and penalties related to uncertain tax positions will be recognized in income tax expenses, if applicable. As of December 31, 2022 and 2021, no uncertain tax positions have been identified and therefore, no amounts were recognized during the years ended December 31, 2022 and 2021.

Net assets classes
Net Assets without Donor Restrictions: These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions. While these resources are reported as unrestricted, an organization manages them in compliance with its exempt purposes, governing board designations, legal requirements, and contractual obligations.

Net Assets with Donor Restrictions: These net assets result from gifts or cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished.

Estimates
The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Accounts receivable and bad debts
Accounts receivable are valued using an allowance for uncollectible accounts. The allowance is determined by management's review of balances at year end, an analysis of historical bad debts, a review of the aging of the balances, and an analysis of the individual or entity that owes the amount. At such time as balances are determined to be uncollectible, the amount is written off against the allowance. For trade and other receivables, no allowance was considered necessary for 2022 and 2021. See Note 5 for allowance related to pledge receivables. The allowance for uncollectible accounts reported in the financial statements is considered an accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant.

Advertising costs
Advertising costs are expensed when incurred.

2. Summary of significant accounting policies and nature of operations (continued)

Revenue recognition
The Center is the lessor of in several operating leases (see note 7). The Center determines if a contract is a lease or contains a lease at inception. At the commencement of an operating lease, no income is recognized; subsequently, lease payments received are recognized on a straight-line basis. Rental revenue attributable to commercial leases is recorded when due from tenants, generally upon the first day of each month. Leases are for periods of up to five years, with rental payments due monthly. Advance receipts of revenue are deferred and classified as liabilities until earned.

The Center receives funding in the form of grants, reimbursement contracts, fundraising, and contributions. Unconditional funding is reported as revenues when notification of the award or contribution is received. Reimbursement contracts and contributions that are considered conditional promises to give are reported as revenue when the conditions are met. Generally, the conditions to be met are 1) compliance with program services and budgetary requirements imposed by the donor or 2) the expiration of time restrictions imposed by the donor.

Inventory
Thrift Store inventory consists of 100% donated goods, and is valued at its estimated net realizable value. It is not practical to determine the fair value of goods donated during the course of the year due to the volume of donations received. At year end, the Store estimates the value of donated goods on hand and records the amount as inventory with a corresponding adjustment to donated contributions. At December 31, 2022, the Store estimated net realizable value by applying two methodologies:

Sales Floor: At or near year-end, the Center performs an inventory count of the items on the sales floor. The value of the items is determined by calculating the retail value of the items, less the estimated average discount needed to sell the item,

Stock Room and Receiving: Management determines the estimated volume of goods in the stock room and on the receiving dock, based on the total items on the sales floor, and estimates the value of inventory based on the value determined for the items on the sales floor.

Fair value measurements
The Organization applies the accounting provisions related to fair value measurements. These provisions define fair value as 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, establish a hierarchy that prioritizes the information used in developing fair value estimates and require disclosure of fair value measurements by level within the fair value hierarchy. The hierarchy gives the highest priority to quoted prices in active markets (Level 1 measurements) and the lowest priority to unobservable data (Level 3 measurements), such as the reporting entity's own data. These provisions also provide valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flows) and the cost approach (cost to replace the service capacity of an asset or replacement cost).

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of valuation hierarchy are defined as follows:

2. Summary of significant accounting policies and nature of operations (continued)

Fair value measurements (continued)

Level 1: Observable inputs such as quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs other than quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Unobservable inputs that reflect the Organization's own assumptions.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the valuation methods are determined to be appropriate and consistent within the industry, the use of different methodologies or assumptions to determine the fair value of certain assets and liabilities could result in a different estimate of fair value at the reporting date.

The table below presents amounts at December 31, 2022 and 2021 for significant items measured at fair value on a recurring basis. The fair value of the investments account is based on notional amounts, interest rates, maturity date and other contract terms. The fair value of the investments account is valued using a third-party. The investments account is classified as a Level 2 measurement.

	2022	2021
Investment account	$ 40,540	$ 40,489

Fixed assets

Purchased fixed assets, with a cost of $2,500 or more and a useful life of at least one year, are capitalized at cost while donated fixed assets are capitalized at the fair market value of the item at date of gift. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation is computed using the straight-line method of computation over the estimated useful life of the asset (generally 5, 10, or 20 years). Depreciation expense, accumulated depreciation and the useful life used in the computation are considered accounting estimates. The estimates may be adjusted as more current information becomes available and any adjustment could be significant.

The Center uses the direct expensing method to account for planned major maintenance activities.

2. Summary of significant accounting policies and nature of operations (continued)

Fixed assets (continued)

Fixed assets consist of the following as of December 31, 2022 and 2021:

		2022	2021
Land	$	744,250	744,250
Buildings		9,641,562	9,567,111
Furniture and equipment		1,232,937	1,207,302
Vehicles		86,953	86,953
Construction in progress		720,195	456,094
Artwork		40,395	40,395
Assistance dog		18,630	18,630
Less: accumulated depreciation		(7,303,110)	(6,739,143)
Fixed assets, net	$	5,181,812	5,381,592

Contributed goods

The Store receives a substantial amount of donated goods during the year. The Store accounts for the contributed items as follows:

Contributed Goods: Contributed goods consist of thrift store items. The Store reports contributed goods at an estimated fair value if the goods can be sold in the thrift store. Those donated items that are determined to not be saleable are either given away or scrapped. The items determined not to be saleable are not recorded in these financial statements, nor have any values been placed on them. Costs related to bringing donated materials to a saleable condition are included in expenses as incurred. The value of thrift store items is recorded when the sale of the item occurs, or at year-end for items remaining in inventory.

The valuation of contributed goods reported in the financial statements is considered a significant accounting estimate. The estimate may be adjusted as more current information becomes available and any adjustment could be significant.

Impairment of long-lived assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If a long-lived asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. There were no impairment losses recognized during 2022 and 2021.

Allocation of costs

The Center allocates common costs between program services, management and general, and fund raising based on estimates of the Center's activities benefiting from the cost. If an item is associated only with a program or fundraising, it is fully allocated to that category. Administrative and occupancy expenses are allocated based on salary allocations. The estimates are reviewed periodically and the allocations revised, if necessary, to reflect changes in the activities of the Center.

2. Summary of significant accounting policies and nature of operations (continued)

Commercial lease
The Organization determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of and to obtain substantially all of the economic benefits from the use of an asset for a period of time in exchange for consideration.

Operating lease right-of use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term.

The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The commercial lease agreement does not contain any material residual value guarantees or material restrictive covenants. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Reclassifications
Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation.

Subsequent events
Subsequent events have been evaluated through September 27, 2023, which is the date the financial statements were available to be issued and there are no subsequent events requiring disclosure.

Vulnerability – Impact of COVID-19
The severity of the impact of COVID-19 on the Organization's operations will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Organization's tenants, all of which are uncertain and cannot be predicted. The Organization's future results could be adversely impacted by delays in rent collections. Management is unable to predict with absolutely certainty the impact of COVID-19 on its financial condition, results of operations or cash flows.

Change in accounting principle
In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification ("ASC") 842, Leases ("FASB ASC 842") to increase transparency and comparability among organizations by requiring the recognition of lease assets and lease liabilities on the balance sheet by lessees and the disclosure of key information about leasing arrangements.

At lease inception, the Organization determines whether an arrangement is or contains a lease. Operating and finance leases are included in right-of-use ("ROU") assets, current portion of lease liabilities, and lease liabilities in the financial statements. ROU assets represent the Organization's right to use leased assets over the term of the lease. Lease liabilities represent the Organization's contractual obligation to make lease payments over the lease term.

2. Summary of significant accounting policies and nature of operations (continued)

Change in accounting principle (continued)
For operating leases, ROU assets and lease liabilities are recognized at the commencement date. The lease liability is measured as the present value of the lease payments over the lease term. The Organization uses the rate implicit in the lease if it is determinable. When the rate implicit in the lease is not determinable, the Organization uses its incremental borrowing rate of 6% for the Center and 5% for the Store, at the commencement date of the lease to determine the present value of the lease payments. ROU assets are calculated as the initial lease liability plus unamortized initial direct costs plus any prepayments less any unamortized lease incentives received. Lease terms may include renewal or extension options to the extent they are reasonably certain to be exercised. The assessment of whether renewal or extension options are reasonably certain to be exercised is made at lease commencement. Factors considered in determining whether an option is reasonably certain of exercise include, but are not limited to, the value of any leasehold improvements, the value of renewal rates compared to market rates, and the presence of factors that would cause a significant economic penalty to the Organization if the option were not exercised. Lease expense is recognized on a straight-line basis over the lease term.

The Organization has elected not to recognize a ROU asset and obligation for leases with an initial term of twelve months or less. The expense associated with short term leases is included in lease expenses in the statement of activities.

To the extent a lease arrangement includes both lease and non-lease components, the Organization has elected to account for the components as separate lease components.

FASB ASC 842 was adopted January 1, 2021, and any adjustment necessary was recognized through a cumulative effect adjustment, with certain practical expedients available. As a result of the adoption of FASB ASC 842, on January 1, 2021 the Organization recognized a lease payable of $300,288, which represents the present value of remaining lease payments of $365,161, discounted using the incremental borrowing rate of 5% for the Store, and a right-of-use asset of $300,288, which consists of the lease liability of $300,288.

3. Commitments and contingencies

During 2019, the Store entered into a new lease agreement for the thrift store. The lease includes a tenant improvement allowance of $112,500. As of December 31, 2020, the entire allowance was spent on leasehold improvements by the Store and included in leasehold improvements and other receivables on the consolidated statement of financial position.

In June 2021, the Store settled a dispute with the landlord related to the commencement date due to construction delays and other unforeseen circumstances. Under the terms of the settlement, the Store was obligated to reduce amounts owed by the landlord by $6,193 related to additional expenses during this period. The Store recognized the entire loss in legal (loss) contingency and net of other receivables on the 2020 consolidated financial statements. The landlord and the Store met their obligations under the settlement agreement in 2021.

4. Related party transactions

In addition to services relating to their function as board members, the board of directors contributed $187,890 and $24,295 to the Center for the years ended December 31, 2022 and 2021, respectively.

The Store was represented by a board member on its legal counsel for the dispute between the Store and its landlord. Total legal fees in 2022 and 2021 were $0 and $31,995, respectively. Legal fees are included in professional fees on the consolidated statement of activities.

5. Promises to give

Pledges receivable consist of funds available for operating purposes. Pledges reported in the financial statements are the following.

		2022	2021
Receivable in less than one year	$	406,449	631,285
Allowance for uncollectable pledges		(65,576)	(63,129)
Pledges due within one year	$	340,873	568,156
Receivable in one to five years		948,600	910,766
Receivable in over five years		-	-
Allowance for uncollectable pledges		(142,290)	(91,077)
Present value discount		(18,049)	(21,123)
Pledges due in future periods	$	788,261	798,566

Pledges receivable with due dates extending beyond one year are discounted using Treasury bill rates for similar term investments. For 2022 and 2021, the present value discount is computed using a .5% present value interest rate. Annual amortization of the discount for 2022 and 2021 is $18,049 and $21,123, respectively. These amounts are reported as temporarily restricted contributions in the statement of activities. New pledges of $435,677 and $402,800 were received in 2022 and 2021, respectively. Prior year pledges written off in 2022 and 2021 were $57,485 and $66,824, respectively. Pledges receivable considered past due amounted to $152,466 and $465,072 for the years 2022 and 2021, respectively. The allowance for uncollectible pledges and the present value discount are considered accounting estimates.

6. Long-term debt

In 2015, the Organization purchased an additional building in the same real estate complex as the Organization's facility. This debt was refinanced in 2019, including debt issuance costs and additional available credit for a utility project at the Organization's facility.

Debt issuance costs are reported on the statement of financial position as a direct deduction from the face amount of the debt. These costs are amortized over the life of the debt and are reported as interest expense in the statement of activities.

6. Long-term debt (continued)

		2022	2021
Refinanced note payable to bank dated April 2, 2019, original amount of $1,600,000, including $444,605 of available credit, interest at 4.99%, 12 interest only payments, 119 payments of $9,412 including principal and interest, and final payment of $1,194,631 due April 2030, collateral is a deed of trust on real estate and associated rent income from the property	$	1,515,765 $	1,555,262
Total long-term debt		1,515,765	1,555,262
Less: debt issuance costs, net		(34,407)	(39,099)
		1,481,358	1,516,163
Less: current portion of long-term debt		(41,444)	(40,705)
Long-term debt, net of current portion	$	1,439,914	1,475,458

Interest costs incurred for the year ended December 31, 2022 and 2021 were $62,227 and $68,324, respectively.

During 2022 and 2021, draws made on available credit were $0 and $151,638, respectively. As of December 31, 2021, the Organization used the entire available credit. In May 2022, the related custodian account was closed.

Aggregate annual maturities of the note payable over each of the next five years and thereafter are as follows:

2023	$	41,444
2024		42,984
2025		44,924
2026		46,435
2027		48,703
Thereafter		1,291,275
Total	$	1,515,765

7. Leasing activities

Lease income
As part of the acquisition of additional real estate, the Organization assumed four operating leases which provide commercial real estate space to affiliate organizations. Property and equipment have a value of $2,552,212 at December 31, 2022, with accumulated depreciation of $693,144. The assets are included in net fixed assets at December 31, 2022 and 2021. Minimum future rentals on non-cancelable operating leases with original terms of one year or longer total $589,537 at December 31, 2022. These amounts are receivable as follows: 2023- $252,659; 2024- $252,659; and 2025- $84,219.

Lease income under operating leases for 2022 and 2021 was $248,637 and $239,195, respectively.

7. Leasing activities (continued)

Lease expense

In 2019, the Organization entered into a new lease for the thrift store through December 31, 2025. In 2017, the Organization entered into a lease for a new location in Lakeway through August 31, 2027. These leases do not include renewal options. The Organization is also obligated on leases for office equipment. For accounting purposes, these leases are treated as operating leases. The future minimum lease payments required on these leases are as follows: 2023- $223,249; 2024- $226,969; 2025- $230,757; 2026- $96,126; and 2027- $51,695.

The following summarizes the line items in the statements of financial position which include amounts for operating leases as of December 31:

	2022	2021
Operating leases		
Right-of-use assets	$ 499,447	$ 262,194
Total right of use asset - operating	$ 499,447	$ 262,194
Current portion of lease liabilities	$ 117,257	$ 56,454
Lease liability	403,006	213,088
Total lease liability - operating	$ 520,263	$ 269,542

The components of lease expenses were as follows:

	2022	2021
Operating lease cost	$ 140,548	$ 138,703
Total lease costs	$ 140,548	$ 138,703

Lease liability maturities:

	Minimum lease payments	Discount rate	Lease liability maturities
2023	$223,249	$ (105,992)	$ 117,257
2024	226,969	(95,892)	131,077
2025	230,757	(85,172)	145,585
2026	96,126	(22,245)	73,881
2027	51,695	768	52,463
Thereafter	-	-	-
Total	$828,796	$(308,533)	$ 520,263

8. 401(k)savings plan

The Center maintains a 401(k) plan (the "Plan") to provide retirement benefits for the Center's staff. Staff may contribute a percentage of their annual compensation, limited to a maximum annual amount as set periodically by the Internal Revenue Service. The Plan includes a comparability profit sharing provision which requires the Center to make mandatory safe harbor non-elective contributions in an amount equal to 3% of each eligible participant's compensation. These safe harbor contributions are subject to a 100% immediate vesting schedule. New hires are eligible to participate after one year of service. In addition, the Plan provides for discretionary contributions as determined by the Board of Directors. The Center contributed $136,792 and $149,163 to the Plan in 2022 and 2021, respectively.

9. Contributed goods

The Store received the following contributed goods that have been reported in the financial statements:

	2022	2021
Donated thrift store goods		
Thrift store sales	$ 163,122	$ 113,188
Change in inventory	886	872
Total donated thrift store goods	$ 164,008	$ 114,060

10. Net assets with donor restrictions

During 2022 and 2021 $930,541 and $463,309, respectively in temporarily restricted net assets were released from accompanying stipulations due to the Center's action or due to the passage of time and are reported as transfers from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Net assets with donor restrictions are restricted for the following purposes or periods:

	2022	2021
Subject to expenditure for specified purpose:		
Programs and projects	$ 294,331	$ 188,500
Subject to the passage of time:		
Promises to give that are unavailable for expenditure until due	409,826	616,722
Endowment:		
Promises to give restricted by donors for Permanently restricted general endowment	750,000	750,000
Not subject to spending policy or appropriation:		
Permanently restricted to general endowment	-	-
	$ 1,454,157	$ 1,555,222

11. Agency endowment funds

Beneficial interest in endowment fund: In 2005, the Center established a permanent endowment fund, the Tomorrow's Child Fund (the "Fund"), with the Austin Community Foundation for the Capital Area (the "ACF"). The Fund is considered an agency endowment fund and an asset of ACF. Funding for the Fund consists of contributions made by a transfer of cash or other assets from donors or the Center to ACF. All contributions are considered irrevocable and shall be used in furtherance of the purpose of the Fund. The Center has granted variance power to ACF, therefore the ACF Endowment Fund for the Center is considered an asset of ACF. The Center is considered the beneficiary of the endowment and recognized the value of its beneficial interest in the Fund. Annually, an amount equal to 5% of the Fund's value as of December 31 each year shall be available to the Center in the following year upon request of the Center, or otherwise as determined by the Board of Governors of ACF. The funds are recorded as contributions when received by the Center. Funds available for grant distribution at December 31, 2022 and 2021, were $28,500 and $16,400, respectively.

During 2022 and 2021, the Center had the following beneficial interest in endowment fund activities:

	2022	2021
Tomorrow's Child Endowment Fund		
Beneficial interest, beginning of year	$ 499,084	$ 424,752
Contributions	-	-
Interest and dividends	8,436	8,985
Realized and unrealized gains (losses)	(76,137)	70,021
Distributions	-	-
Administrative expenses	(4,966)	(4,674)
Beneficial interest, end of year	$ 426,417	$ 499,084

12. 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 statement of financial position date, comprise the following:

	2022	2021
Cash and cash equivalents	$ 3,313,697	$ 2,579,198
Investments	40,540	49,015
Promises to give, no purpose restrictions	340,873	568,156
Receivables, grants and contracts	761,383	1,255,184
Receivables, rents and other	292,473	72,585
Available without restriction within one year	$ 4,748,966	$ 4,524,138

As part of the Center's liquidity management plan, cash in excess of daily requirements is invested in short-term investments and money market funds.

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
December 31, 2022

ASSETS	Center	Foundation	DoubleTake	Eliminations	Consolidated
Current assets					
Cash and cash equivalents	$ 3,181,509	$ 132,659	$ 29,529		3,343,697
Receivables					
Grants and contracts	1,025,714	-	-	-	1,025,714
Promises to give, net	340,873	-	-	-	340,873
Rents and other receivables	292,473	-	-	-	292,473
Prepaid expenses	105,168	-	9,781	-	114,949
Inventory - thrift store	-	-	62,121	-	62,121
Investments	40,540	-	-	-	40,540
Total current assets	4,986,277	132,659	101,431	-	5,220,367
Non-current promises to give, net	788,261	-	-	-	788,261
Right of use asset - operating	295,043	-	204,404	-	499,447
Fixed assets					
Land	744,250	-	-		744,250
Buildings and improvements	9,612,196	-	29,366		9,641,562
Furniture and equipment	1,214,270	-	18,667		1,232,937
Vehicles	67,728	-	19,225		86,953
Artwork	40,395	-	-		40,395
Assistance dog	18,630	-	-		18,630
Construction in progress	720,195	-	-		720,195
Less accumulated depreciation	(7,259,517)	-	(43,593)		(7,303,110)
Fixed assets, net	5,158,147		23,665		5,181,812
Other Assets	212,396	-	5,438	(204,667)	13,167
Total assets	$ 11,440,124	$ 132,659	$ 334,938	$ (204,667)	$ 11,703,054

see report of independent auditors

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
December 31, 2021 (RESTATED)

ASSETS	Center	Foundation	DoubleTake	Eliminations	Consolidated
Current assets					
Cash and cash equivalents	$ 2,514,643	$ 132,713	$ 32,618	$ -	$ 2,679,974
Receivables					
Grants and contracts	1,342,908	-	-	-	1,342,908
Promises to give, net	568,156	-	-	-	568,156
Rents and other receivables	72,585	-	-	-	72,585
Prepaid expenses	60,437	-	793	-	61,230
Inventory - thrift store	-	-	61,234	-	61,234
Investments	49,015	-	-	-	49,015
Total current assets	4,607,744	132,713	94,645	0	4,835,102
Non-current promises to give, net	798,566	-	-	-	798,566
Right of use asset - operating	-	-	262,194	-	262,194
Fixed assets					
Land	744,250	-	-	-	744,250
Buildings and improvements	9,537,745	-	29,366	-	9,567,111
Furniture and equipment	1,188,635	-	18,667	-	1,207,302
Vehicles	67,728	-	19,225	-	86,953
Artwork	40,395	-	-	-	40,395
Assistance dog	18,630	-	-	-	18,630
Construction in progress	456,094	-	-	-	456,094
Less accumulated depreciation	(6,704,411)	-	(34,732)	-	(6,739,143)
Fixed assets, net	5,349,066	-	32,526	-	5,381,592
Other Assets	326,902	-	5,438	(319,173)	13,167
Total assets	$ 11,082,278	$ 132,713	$ 394,803	$ (319,173)	$ 11,290,621

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION - CONTINUED
December 31, 2022

LIABILITIES AND NET ASSETS	Center	Foundation	DoubleTake	Eliminations	Consolidated
Current liabilities					
Accounts payable	$ 165,760	$ -	$ -	$ -	165,760
Payroll and related liabilities	179,971	-	160	-	180,131
Accrued vacation payable	16,693	-	-	-	16,693
Deferred revenue	42,701	-	4,042	-	46,743
Prepaid rent	-	-	-	-	-
Accrued interest payable	4,872	-	-	-	4,872
Current portion of lease liability - operating	53,774		63,483		117,257
Current portion of note payable	41,444	-	-	- #	41,444
Total current liabilities	505,215	-	67,685	-	572,900
Long-term liabilities					
Note payable, net current portion	1,439,914	-	-	-	1,439,914
Lease Liability - operating	253,402	-	149,605	-	403,007
Straight-line rent liability	-	-	8,684	-	8,684
Total long-term liabilities	1,693,316	-	158,289	-	1,851,605
Total liabilities	2,198,531	-	225,974	-	2,424,505
Net Assets					
Without Donor Restrictions					
Available for current operations	4,110,645	-	84,601	(204,667)	3,990,579
Board designated	-	132,659	-	-	132,659
Investment in fixed assets	3,676,791	-	24,363	-	3,701,154
Total unrestricted net assets	7,787,436	132,659	108,964	(204,667)	7,824,392
With Donor Restrictions	1,454,157	-	-	-	1,454,157
Total net assets	9,241,593	132,659	108,964	(204,667)	9,278,549
Total liabilities and net assets	$ 11,440,124	132,659	$ 334,938	(204,667)	11,703,054

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CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION - CONTINUED
December 31, 2021 (RESTATED)

LIABILITIES AND NET ASSETS	Center	Foundation	DoubleTake	Eliminations	Consolidated
Current liabilities					
Accounts payable	$ 119,886	$ -	$ -	$ -	119,886
Payroll and related liabilities	24,884	-	1,327	-	26,211
Accrued vacation payable	154,181	-	-	-	154,181
Deferred revenue	47,685	-	3,669	-	51,354
Prepaid rent	6,267	-	-	-	6,267
Accrued interest payable	4,999	-	-	-	4,999
Current portion of lease liability - operating	-	-	56,454	-	56,454
Current portion of note payable	40,705	-	-	- #	40,705
Total current liabilities	398,607	-	61,450	-	460,057
Long-term liabilities					
Note payable, net current portion	1,475,458	-	-	-	1,475,458
Lease Liability - operating	-	-	213,088	-	213,088
Straight-line rent liability	-	-	7,349	-	7,349
Total long-term liabilities	1,475,458	-	220,437	-	1,695,895
Total liabilities	1,874,065	-	281,887	-	2,155,952
Net Assets					
Without Donor Restrictions					
Available for current operations	3,820,088	-	80,390	(319,173)	3,581,305
Board designated	-	132,713	-	-	132,713
Investment in fixed assets	3,832,903	-	32,526	-	3,865,429
Total unrestricted net assets	7,652,991	132,713	112,916	(319,173)	7,579,447
With Donor Restrictions	1,555,222	-	-	-	1,555,222
Total net assets	9,208,213	132,713	112,916	(319,173)	9,134,669
Total liabilities and net assets	$ 11,082,278	132,713	$ 394,803	(319,173)	11,290,621

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATING STATEMENTS OF ACTIVITIES
For the year ended December 31, 2022

	Center	Foundation	DoubleTake	Eliminations	Consolidated
REVENUES AND OTHER SUPPORT					
Grants and contracts	$ 4,120,618	$ -	$ -	$ -	$ 4,120,618
Contributions	1,317,236	-	130	-	1,317,366
Fundraising activity					
Fundraising income	2,810,268	-	-	-	2,810,268
Direct benefit to donors	(856,677)	-	-	-	(856,677)
Net fundraising activity	1,953,591	-	-	-	1,953,591
Rental income	248,637	-	-	-	248,637
Thrift store sales	-	-	163,122	-	163,122
Donated thrift store goods	-	-	886	-	886
In-kind donations	20,000	-	-	-	20,000
Guild Memberships	8,700	-	-	-	8,700
Training honorariums	100	-	-	-	100
Gain (loss) on investments	(9,867)	-	-	-	(9,867)
Other income	1,053	360	201,963	(201,963)	1,413
Total revenues and other support	$ 7,660,068	$ 360	$ 366,101	$ (201,963)	$ 7,824,566

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATING STATEMENTS OF ACTIVITIES
For the year ended December 31, 2021

	Center	Foundation	DoubleTake	Eliminations	Consolidated
REVENUES AND OTHER SUPPORT					
Grants and contracts	$ 4,352,429	$ -	$ -	$ (20,000)	$ 4,332,429
Contributions	1,417,098	-	256	-	1,417,354
Fundraising activity					
Fundraising income	2,303,538	-	-	-	2,303,538
Direct benefit to donors	(671,632)	-	-	-	(671,632)
Net fundraising activity	1,631,906	-	-	-	1,631,906
Rental income	239,195	-	-	-	239,195
Thrift store sales	-	-	113,188	-	113,188
Donated thrift store goods	-	-	872	-	872
Guild Memberships	9,150	-	-	-	9,150
Training honorariums	1,200	-	-	-	1,200
Gain (loss) on investments	259	-	-	-	259
Other income	8	169	-	-	177
Total revenues and other support	$ 7,651,245	$ 169	$ 114,316	$ (20,000)	$ 7,745,730

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED
For the year ended December 31, 2022

	Center	Foundation	DoubleTake	Eliminations	Consolidated
EXPENSES					
Program services					
Assistance to children	6,350,166	414	255,547	(201,963)	6,404,164
Supporting services					
Management and general	598,674	-	-	-	598,674
Fundraising	677,848	-	-	-	677,848
Total expenses	7,626,688	414	255,547	(201,963)	7,680,686
CHANGE IN NET ASSETS (decrease)	33,380	(54)	110,554	-	143,880
NET ASSETS					
Beginning of year	9,208,213	132,713	(206,257)	-	9,134,669
Capital contributions	-	-	204,667	(204,667)	-
End of year	9,241,593	132,659	108,964	(204,667)	9,278,549

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY
PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
CONSOLIDATING STATEMENTS OF ACTIVITIES - CONTINUED
For the year ended December 31, 2021 (RESTATED)

	Center	Foundation	DoubleTake	Eliminations	Consolidated
EXPENSES					
Program services					
Assistance to children	5,816,684	20,404	210,396	(20,000)	6,027,484
Supporting services					
Management and general	39,909	-	32,092	-	72,001
Fundraising	883,470	-	-	-	883,470
Total expenses	6,740,063	20,404	242,488	(20,000)	6,982,955
CHANGE IN NET ASSETS (decrease)	911,182	(20,235)	(128,172)	-	762,775
NET ASSETS					
Beginning of year	8,297,031	152,948	(78,085)	-	8,371,894
Capital contributions	-	-	319,173	(319,173)	-
End of year	$ 9,208,213	$ 132,713	$ 112,916	$ (319,173)	$ 9,134,669

SUPPLEMENTARY INFORMATION

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 of
Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC, which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 27, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 determination of financial statement amounts. 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.

Novogradac & Company LLP

Austin, TX
September 27, 2023

NOVOGRADAC & COMPANY LLP®

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 of
Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC's major federal programs for the year ended December 31, 2022. Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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, Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC complied, in all material respects, with the 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, 2022.

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 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). 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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC 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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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 Center for Child Protection Tomorrow's Child Legacy Project Foundation and DoubleTake Austin, LLC'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.

Novogradac & Company LLP

Austin, TX
September 27, 2023

CENTER FOR CHILD PROTECTION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2022

Federal Grantor / Pass through Grantor/ Program Title/ Program Period	Federal AL Number	Grant Award #	Federal Expenditures
U.S. Department of Justice, Office of Justice Programs, Office for Victims of Crime			
Pass through funding			
Office of the Governor of Texas, Criminal Justice Division (CJD):			
Children's Advocacy Centers of Texas (CACTX):			
VA-Victims of Crime Act Formula Grant			
FY22 CAC VOCA	16.575	VOCA-I-FY22-5	
October 1, 2021 - September 30, 2022			518,177
FY22 CAC VOCA	16.575	VOCA-II-FY22-5	
October 1, 2021 - September 30, 2022			1,231,617
FY23 CAC VOCA	16.575	VOCA-FY23-5	
October 1, 2022 - September 30, 2023			575,194
Total AL Number 16.575			2,324,988
Total expenditures of federal awards			**$ 2,324,988**

1. Basis of presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal expenditures of Center for Child Protection, Tomorrow's Child Legacy, Project Foundation and DoubleTake Austin, LLC under programs of the federal government for the year ended December 31, 2022. The information in the Schedule is presented in accordance with the requirements of *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the basic consolidated financial statements.

For purposes of the Schedule, federal awards include all sub awards to the Organization by nonfederal organizations pursuant to federal grants, contracts and similar agreements.

2. Summary of significant accounting policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowed. Federal Assistance Listing numbers ("AL No.") are provided when available.

The Organization elected not to use the 10% de minimis indirect cost rate.

CENTER FOR CHILD PROTECTION, TOMORROW'S CHILD LEGACY PROJECT FOUNDATION AND DOUBLETAKE AUSTIN, LLC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditors' report issued:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	____	Yes	x	No
Significant deficiency(ies) identified not considered to be material weaknesses?	____	Yes	x	None reported
Noncompliance material to financial statements noted?	____	Yes	x	No

Federal Awards

Internal Control over major programs:				
Material weakness(es) identified?	____	Yes	x	No
Significant deficiency(ies) identified not considered to be material weaknesses?	____	Yes	x	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified			
Audit findings required to be reported in accordance with 2 CFR section 200.516(a)?	____	Yes	x	No

Identification of major programs:

Federal Major Program	AL Number	Name of Federal Program or Cluster
Federal	16.575	Children's Advocacy Centers of Texas (CACTX): VA-Victims of Crime Act Formula Grant

Federal Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee? x Yes ____ No

Section II - Financial Statement Findings

There were no findings noted.

Section III - Federal Award Findings and Questioned Costs

There were no findings noted.