

DAEMION COUNSELING CENTER, INC.

BERWYN, PENNSYLVANIA

JUNE 30, 2023

TABLE OF CONTENTS

Independent Auditor's Report	1 - 3
Financial Statements	
Statement of Financial Position as of June 30, 2023	4
Statement of Activity for the year ended June 30, 2023	5
Statement of Cash Flows for the year ended June 30, 2023	6
Notes to Financial Statements	7 - 10
Schedule of Functional Expenses for the year ended June 30, 2023	11

TEL. 215-643-3090

FAX: 215-643-5670

ANDREW A. KELLOCK

Certified Public Accountant

912 ROBERTS ROAD

AMBLER, PA 19002

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Daemion Counseling Center, Inc.
Berwyn, Pennsylvania

Opinion

I have audited the accompanying financial statements of Daemion Counseling Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Daemion Counseling Center, Inc. as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements sections of my report. I am required to be independent of Daemion Counseling Center, Inc. and to meet my other ethical responsibilities in accordance with the relevant requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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 of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about Daemion Counseling Center, Inc.'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

My 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 included my 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 standard 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 controls. Misstatements are considered material if there is a substantial likelihood that, individually or in 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, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Daemion Counseling Center, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Daemion Counseling Center, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Functional Expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Certified Public Accountant

Ambler, Pennsylvania
September 18, 2023

DAEMION COUNSELING CENTER, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2023

ASSETS

Cash and cash equivalents	\$146,670
Investments - Available-for-Sale	123,911
Long-Term Investments	54,453
Prepaid expenses	2,866
Equipment, net	<u>2,667</u>
TOTAL ASSETS	<u>\$330,567</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	\$10,338
Deferred Revenue	<u>1,000</u>
TOTAL LIABILITIES	<u>11,338</u>

NET ASSETS

Without Donor Restrictions	250,179
With Donor Restrictions	54,453
Net Unrealized Gain on Investments	<u>14,597</u>
TOTAL NET ASSETS	<u>319,229</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$330,567</u>
---	-------------------------

See Notes to Financial Statements

DAEMION COUNSELING CENTER, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

CHANGES IN UNRESTRICTED NET ASSETS:

Revenues and Gains

Contributions	\$ 85,616
Foundations and Trusts	72,283
Program Service Fees	27,252
Grants	25,000
Fund Raising Events	5,986
In-Kind Contributions	4,800
Investment Return, net	<u>(3,250)</u>

TOTAL REVENUES, GAINS AND OTHER SUPPORT
WITHOUT DONOR RESTRICTIONS

\$217,687

Less: Functional Expenses

Program Services	\$ 165,895
Management and General	37,498
Fund Raising	<u>11,963</u>

Total Functional Expenses

215,356

INCREASE IN NET ASSETS WITHOUT
DONOR RESTRICTIONS

2,331

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:

Net Assets Released from Restrictions	\$ (2,683)
Investment Return, net	218
Net Unrealized Gain on Investments	<u>3,251</u>

INCREASE IN NET ASSETS
WITH DONOR RESTRICTIONS

786

INCREASE IN NET ASSETS

3,117

NET ASSETS, Beginning of Year

301,515

NET ASSETS, End of Year

\$304,632

See Notes to Financial Statements

DAEMION COUNSELING CENTER, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in Net Assets	\$ 3,117
Adjustments to reconcile increase in net assets to cash provided (used) by operating activities:	
Depreciation	2,021
Realized Loss on Investments	8,966
(Increase) decrease in:	
Accounts Receivable	6,713
Prepaid Expenses	(187)
Increase (decrease) in:	
Accounts Payable	(3,163)
Deferred Revenue	1,000
Net cash provided by operating activities	<u>18,467</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Sales of Investments	46,517
Purchases of Investments	(47,343)
Increase Net Unrealized Gain of Temporarily Restricted Assets	<u>(3,251)</u>
Net cash provided by investing activities	<u>(4,077)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Net cash from by financing activities	<u>-</u>
NET INCREASE IN CASH	14,390
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>132,280</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 146,670</u></u>

See Notes to Financial Statements

DAEMION COUNSELING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

Note 1. Nature of the Organization

The Daemion Counseling Center, Inc. is a Pennsylvania nonprofit corporation. The organization operates a community counseling center providing counseling services to individuals and families in the Southeastern Pennsylvania area including Philadelphia and its surrounding counties.

Note 2. Date of Management Review

In preparing the financial statements, the corporation's management has evaluated events and transactions for potential recognition or disclosure through September 18, 2023, and the date that the financial statements were available to be issued.

Note 3. Summary of Significant Accounting Policies

Basis of Accounting

The accounting policies of Daemion Counseling Center, Inc. conform to generally accepted accounting principles. The financial statements are presented on the accrual basis which reports revenues when earned and expenses when incurred. Contributions and donations are available for general use unless specifically restricted by the donor.

DAEMION COUNSELING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

Note 3. Summary of Significant Accounting Policies - Continued

Investments

Investments consist of mutual funds invested with two investment companies. Daemion Counseling Center, Inc.'s investments are classified as "available-for-sale" and reported at fair value at the balance sheet date. Accordingly, unrealized gains and losses are excluded from earnings and reported in a separate component of net assets.

Equipment

Daemion Counseling Center, Inc. capitalizes all expenditures for personal property assets at cost. Depreciation is calculated using the straight-line method over five years.

Functional Expenses

The expenses of the organization are charged to program services, management and general, and fund-raising activities based on direct expenditures incurred. Expenses not directly chargeable to these categories are allocated based on actual or estimated time employees spend on each activity, estimated benefit to the activity or square footage of the center.

DAEMION COUNSELING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

Note 3. Summary of Significant Accounting Policies - Continued

Net Assets with Donor Restrictions

Since 2004, Daemion Counseling Center, Inc. has received \$ 50,000 in contributions with restrictions placed by the donor. These contributions are invested in perpetuity with the Chester County Community Foundation, Inc. Annually an amount equal to 5% of the current asset value of the assets can be used to support the operating program and capital needs of the Daemion Counseling Center, Inc.

Estimates

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

Note 4. Income Taxes

Daemion Counseling Center, Inc. is exempt from Federal income tax under Internal Revenue Code Section 501 (c) (3). Daemion Counseling Center, Inc. is also exempt from the Pennsylvania corporation franchise tax. No provision for income or other taxes has been made in the accompanying financial statements.

DAEMION COUNSELING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

Note 5. Donated Space and Services

Daemion Counseling Center, Inc. records the value of donated use of space when there is an objective basis available to measure its value. For the year ended June 30, 2023 the estimated rental value of donated space is recorded at \$ 4,800.

During the year ended June 30, 2023, management estimates there were 500 volunteer hours donated to support various program activities for the benefit of Daemion Counseling Center, Inc. The monetary value of these donated services has not been calculated and are not reported in these financial statements.

DAEMION COUNSELING CENTER, INC.

SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2023

	<i>Program Services</i>	<i>Management and General</i>	<i>Fund Raising</i>	<i>Totals</i>
EXPENSES				
Payroll	\$83,285	\$24,025	\$6,527	\$113,837
Contract Services	40,718	-	-	40,718
Payroll Taxes	7,050	2,034	553	9,637
Rent	8,640	960	-	9,600
Professional Fees	5,660	3,500	-	9,160
Computer Expenses	7,626	-	-	7,626
Printing and Postage	1,934	1,933	1,933	5,800
Telephone	1,234	1,234	1,233	3,701
Insurance	2,303	744	42	3,089
Office Expense	1,141	914	228	2,283
Payroll Service	1,781	334	111	2,226
Depreciation	674	673	674	2,021
Maintenance and Repairs	808	647	162	1,617
Miscellaneous Expenses	501	500	500	1,501
Advertising and Marketing	1,027	-	-	1,027
Education	873	-	-	873
Membership Fees	640	-	-	640
 TOTAL EXPENSES	 \$165,895	 \$37,498	 \$11,963	 \$215,356

See Notes to Financial Statements