

**GULF COAST KID'S HOUSE, INC.**

**PENSACOLA, FLORIDA**

**FINANCIAL STATEMENTS**

**JUNE 30, 2025 AND 2024**

**GULF COAST KID'S HOUSE, INC.**

**PENSACOLA, FLORIDA**

**FINANCIAL STATEMENTS**

**JUNE 30, 2025 AND 2024**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Gulf Coast Kid's House, Inc.  
Pensacola, Florida

### Opinion

We have audited the accompanying financial statements of the Gulf Coast Kid's House, Inc. (the "Kid's House") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and changes in net assets, 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 the Kid's House as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits 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 Financial Statements section of our report. We are required to be independent of the Kid's House 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.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 the aggregate, that raise substantial doubt about the Kid's House'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 Responsibility**

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 judgment 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 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 the Kid's House'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kid's House'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 financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.650, Rules of the Auditor General, 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 our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2026, on our consideration of the Kid's House'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 Kid's House'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 Kid's House's internal control over financial reporting and compliance.



Pensacola, Florida  
February 18, 2026

**GULF COAST KID'S HOUSE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2025 AND 2024**

**ASSETS**

|                                           | 2025                       | 2024                       |
|-------------------------------------------|----------------------------|----------------------------|
| <b>Current Assets:</b>                    |                            |                            |
| Cash and cash equivalents                 | \$ 2,475,092               | \$ 1,813,397               |
| Grant and other receivables               | 500,549                    | 618,450                    |
| Prepaid expenses and other current assets | 69,810                     | 71,186                     |
| Total current assets                      | <u>3,045,451</u>           | <u>2,503,033</u>           |
| <b>Noncurrent Assets:</b>                 |                            |                            |
| Property and equipment, net               | 3,174,734                  | 3,299,816                  |
| Intangible assets, net                    | 159,625                    | 161,292                    |
| Total noncurrent assets                   | <u>3,334,359</u>           | <u>3,461,108</u>           |
| <b>Total Assets</b>                       | <u><u>\$ 6,379,810</u></u> | <u><u>\$ 5,964,141</u></u> |

**LIABILITIES AND NET ASSETS**

|                                         |                            |                            |
|-----------------------------------------|----------------------------|----------------------------|
| <b>Current Liabilities:</b>             |                            |                            |
| Accounts payable                        | \$ 32,760                  | \$ 46,855                  |
| Accrued expenses                        | 142,925                    | 130,317                    |
| Deferred revenue                        | 32,850                     | 49,019                     |
| Total current liabilities               | <u>208,535</u>             | <u>226,191</u>             |
| <b>Net Assets:</b>                      |                            |                            |
| Without donor restrictions              |                            |                            |
| Undesignated                            | 4,122,313                  | 4,231,023                  |
| Contractually limited to CPT program    | 1,513,573                  | 1,255,730                  |
| Board designated                        | 180,535                    | -                          |
| With donor restrictions                 | 354,854                    | 251,197                    |
| Total net assets                        | <u>6,171,275</u>           | <u>5,737,950</u>           |
| <b>Total Liabilities and Net Assets</b> | <u><u>\$ 6,379,810</u></u> | <u><u>\$ 5,964,141</u></u> |

The accompanying notes are an integral  
part of these financial statements.

**GULF COAST KID'S HOUSE, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2025**

|                                                                    | Without<br>Donor<br>Restrictions | With<br>Donor<br>Restrictions | 2025<br>Total       |
|--------------------------------------------------------------------|----------------------------------|-------------------------------|---------------------|
| <b>Operating Activities:</b>                                       |                                  |                               |                     |
| <b>Support and Revenue:</b>                                        |                                  |                               |                     |
| Contributions of cash and other financial assets                   | \$ 583,395                       | \$ 107,163                    | \$ 690,558          |
| Contributions of non-financial assets                              | 55,098                           | -                             | 55,098              |
| Special events revenue                                             | 358,986                          | -                             | 358,986             |
| Grants, including amounts contractually limited to the CPT program | 2,541,500                        | -                             | 2,541,500           |
| Rent income                                                        | 139,173                          | -                             | 139,173             |
| Charges for services                                               | 852,775                          | -                             | 852,775             |
| Total support and revenue                                          | <u>4,530,927</u>                 | <u>107,163</u>                | <u>4,638,090</u>    |
| <b>Net Assets Released From Restrictions:</b>                      |                                  |                               |                     |
| Satisfaction of usage requirements                                 | 3,506                            | (3,506)                       | -                   |
| Total operating support, revenue and reclassifications             | <u>4,534,433</u>                 | <u>103,657</u>                | <u>4,638,090</u>    |
| <b>Expenses:</b>                                                   |                                  |                               |                     |
| Program services -                                                 |                                  |                               |                     |
| Child protection team                                              | 2,835,784                        | -                             | 2,835,784           |
| Partner agency support, including in-kind donations of \$6,172     | 380,631                          | -                             | 380,631             |
| Advocacy, including in-kind donations of \$500                     | 222,866                          | -                             | 222,866             |
| Prevention                                                         | 74,345                           | -                             | 74,345              |
| Mental health                                                      | 166,316                          | -                             | 166,316             |
| Supporting services -                                              |                                  |                               |                     |
| General and administrative, including in-kind donations of \$9,439 | 95,221                           | -                             | 95,221              |
| Fundraising                                                        | 166,330                          | -                             | 166,330             |
| Direct benefits to donors, including in-kind donations of \$38,987 | 77,855                           | -                             | 77,855              |
| Total expenses                                                     | <u>4,019,348</u>                 | <u>-</u>                      | <u>4,019,348</u>    |
| Change in net assets from operating activities                     | 515,085                          | 103,657                       | 618,742             |
| <b>Nonoperating Activities:</b>                                    |                                  |                               |                     |
| Nonreciprocal transfers to GCKH Future Fund                        | (250,000)                        | -                             | (250,000)           |
| Interest income                                                    | 63,108                           | -                             | 63,108              |
| Other income                                                       | 1,475                            | -                             | 1,475               |
| <b>Change in Net Assets</b>                                        | 329,668                          | 103,657                       | 433,325             |
| <b>Net Assets at Beginning of Year</b>                             | <u>5,486,753</u>                 | <u>251,197</u>                | <u>5,737,950</u>    |
| <b>Net Assets at End of Year</b>                                   | <u>\$ 5,816,421</u>              | <u>\$ 354,854</u>             | <u>\$ 6,171,275</u> |

The accompanying notes are an integral  
part of these financial statements.

**GULF COAST KID'S HOUSE, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**

|                                                                    | Without<br>Donor<br>Restrictions | With<br>Donor<br>Restrictions | 2024<br>Total       |
|--------------------------------------------------------------------|----------------------------------|-------------------------------|---------------------|
| <b>Operating Activities:</b>                                       |                                  |                               |                     |
| <b>Support and Revenue:</b>                                        |                                  |                               |                     |
| Contributions of cash and other financial assets                   | \$ 439,373                       | \$ 237,126                    | \$ 676,499          |
| Contributions of non-financial assets                              | 48,791                           | -                             | 48,791              |
| Special events revenue                                             | 258,137                          | -                             | 258,137             |
| Grants, including amounts contractually limited to the CPT program | 2,301,024                        | -                             | 2,301,024           |
| Rent income                                                        | 101,073                          | -                             | 101,073             |
| Charges for services                                               | 750,426                          | -                             | 750,426             |
| Total support and revenue                                          | <u>3,898,824</u>                 | <u>237,126</u>                | <u>4,135,950</u>    |
| <b>Net Assets Released From Restrictions:</b>                      |                                  |                               |                     |
| Satisfaction of usage requirements                                 | 79,832                           | (79,832)                      | -                   |
| Total operating support, revenue and reclassifications             | <u>3,978,656</u>                 | <u>157,294</u>                | <u>4,135,950</u>    |
| <b>Expenses:</b>                                                   |                                  |                               |                     |
| Program services -                                                 |                                  |                               |                     |
| Child protection team, including in-kind donations of \$2,979      | 2,533,774                        | -                             | 2,533,774           |
| Partner agency support, including in-kind donations of \$1,900     | 295,000                          | -                             | 295,000             |
| Advocacy, including in-kind donations of \$30                      | 226,332                          | -                             | 226,332             |
| Prevention                                                         | 88,727                           | -                             | 88,727              |
| Mental health                                                      | 177,922                          | -                             | 177,922             |
| Supporting services -                                              |                                  |                               |                     |
| General and administrative, including in-kind donations of \$8,741 | 104,841                          | -                             | 104,841             |
| Fundraising                                                        | 171,538                          | -                             | 171,538             |
| Direct benefits to donors, including in-kind donations of \$35,141 | 130,104                          | -                             | 130,104             |
| Total expenses                                                     | <u>3,728,238</u>                 | <u>-</u>                      | <u>3,728,238</u>    |
| Change in net assets from operating activities                     | 250,418                          | 157,294                       | 407,712             |
| <b>Nonoperating Activities:</b>                                    |                                  |                               |                     |
| Nonreciprocal transfers from GCKH Future Fund                      | 910,176                          | -                             | 910,176             |
| Interest income                                                    | 53,647                           | -                             | 53,647              |
| Other income                                                       | 800                              | -                             | 800                 |
| <b>Change in Net Assets</b>                                        | 1,215,041                        | 157,294                       | 1,372,335           |
| <b>Net Assets at Beginning of Year</b>                             | <u>4,271,712</u>                 | <u>93,903</u>                 | <u>4,365,615</u>    |
| <b>Net Assets at End of Year</b>                                   | <u>\$ 5,486,753</u>              | <u>\$ 251,197</u>             | <u>\$ 5,737,950</u> |

The accompanying notes are an integral  
part of these financial statements.

**GULF COAST KID'S HOUSE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2025**

|                               | 2025                     |                           |                   |                  |                   |                               |                   |                              |                     |
|-------------------------------|--------------------------|---------------------------|-------------------|------------------|-------------------|-------------------------------|-------------------|------------------------------|---------------------|
|                               | Program Services         |                           |                   |                  |                   | Supporting Services           |                   | Direct Benefits<br>to Donors | Total               |
|                               | Child Protection<br>Team | Partner Agency<br>Support | Advocacy          | Prevention       | Mental Health     | General and<br>Administrative | Fundraising       |                              |                     |
| Salaries and related costs    | \$ 2,391,783             | \$ 57,008                 | \$ 207,112        | \$ 68,653        | \$ 128,106        | \$ 59,131                     | \$ 83,186         | \$ -                         | \$ 2,994,979        |
| Utilities                     | 22,975                   | 49,402                    | -                 | -                | -                 | -                             | 325               | -                            | 72,702              |
| Repairs and maintenance       | 136                      | 35,544                    | -                 | -                | -                 | 300                           | -                 | -                            | 35,980              |
| Marketing                     | -                        | -                         | -                 | -                | -                 | -                             | 2,455             | -                            | 2,455               |
| Insurance                     | 3,978                    | 81,745                    | -                 | -                | -                 | -                             | -                 | -                            | 85,723              |
| Depreciation and amortization | 64,015                   | 123,107                   | -                 | -                | -                 | -                             | -                 | -                            | 187,122             |
| In-kind expense               | -                        | 6,172                     | 500               | -                | -                 | 9,439                         | -                 | 38,987                       | 55,098              |
| Supplies                      | 10,483                   | 1,669                     | 96                | 41               | 1,885             | 1,553                         | 9,911             | -                            | 25,638              |
| Cleaning                      | -                        | 24,700                    | -                 | -                | -                 | -                             | -                 | -                            | 24,700              |
| Special events                | -                        | -                         | -                 | -                | -                 | -                             | -                 | 38,868                       | 38,868              |
| Rent                          | 50,042                   | -                         | 864               | 864              | 864               | 864                           | 864               | -                            | 54,362              |
| Internal rent                 | 32,064                   | (32,064)                  | -                 | -                | -                 | -                             | -                 | -                            | -                   |
| Contracted services           | 220,042                  | -                         | 195               | 58               | 100               | 9,453                         | 28,878            | -                            | 258,726             |
| Other                         | 40,266                   | 33,348                    | 14,099            | 4,729            | 35,361            | 14,481                        | 40,711            | -                            | 182,995             |
| <b>Total expenses</b>         | <b>\$ 2,835,784</b>      | <b>\$ 380,631</b>         | <b>\$ 222,866</b> | <b>\$ 74,345</b> | <b>\$ 166,316</b> | <b>\$ 95,221</b>              | <b>\$ 166,330</b> | <b>\$ 77,855</b>             | <b>\$ 4,019,348</b> |

The accompanying notes are an integral  
part of these financial statements.

**GULF COAST KID'S HOUSE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2024**

|                               | 2024                     |                           |                   |                  |                   |                               |                   |                             |                     |
|-------------------------------|--------------------------|---------------------------|-------------------|------------------|-------------------|-------------------------------|-------------------|-----------------------------|---------------------|
|                               | Program Services         |                           |                   |                  |                   | Supporting Services           |                   | Direct Benefit<br>to Donors | Total               |
|                               | Child Protection<br>Team | Partner Agency<br>Support | Advocacy          | Prevention       | Mental Health     | General and<br>Administrative | Fundraising       |                             |                     |
| Salaries and related costs    | \$ 2,153,308             | \$ -                      | \$ 207,322        | \$ 79,212        | \$ 71,277         | \$ 70,848                     | \$ 111,653        | \$ -                        | \$ 2,693,620        |
| Utilities                     | 21,268                   | 54,118                    | -                 | -                | -                 | -                             | 433               | -                           | 75,819              |
| Repairs and maintenance       | 763                      | 22,241                    | -                 | -                | -                 | -                             | 400               | -                           | 23,404              |
| Marketing                     | -                        | -                         | -                 | -                | -                 | -                             | 2,701             | -                           | 2,701               |
| Insurance                     | 3,242                    | 71,254                    | -                 | -                | -                 | -                             | -                 | -                           | 74,496              |
| Depreciation and amortization | 62,074                   | 111,453                   | -                 | -                | -                 | -                             | -                 | -                           | 173,527             |
| In-kind expense               | 2,979                    | 1,900                     | 30                | -                | -                 | 8,741                         | -                 | 35,141                      | 48,791              |
| Supplies                      | 5,042                    | 882                       | 98                | 206              | 1,775             | 1,784                         | 12,469            | -                           | 22,256              |
| Cleaning                      | -                        | 28,028                    | -                 | -                | -                 | -                             | -                 | -                           | 28,028              |
| Special events                | -                        | -                         | -                 | -                | -                 | -                             | -                 | 94,963                      | 94,963              |
| Rent                          | 43,767                   | -                         | 858               | 858              | 858               | 858                           | 858               | -                           | 48,057              |
| Internal rent                 | 32,064                   | (32,064)                  | -                 | -                | -                 | -                             | -                 | -                           | -                   |
| Pass-through grants           | -                        | -                         | -                 | -                | 60,000            | -                             | -                 | -                           | 60,000              |
| Contracted services           | 167,109                  | 6,989                     | 157               | 52               | 125               | 7,244                         | 17                | -                           | 181,693             |
| Other                         | 42,158                   | 30,199                    | 17,867            | 8,399            | 43,887            | 15,366                        | 43,007            | -                           | 200,883             |
| <b>Total expenses</b>         | <b>\$ 2,533,774</b>      | <b>\$ 295,000</b>         | <b>\$ 226,332</b> | <b>\$ 88,727</b> | <b>\$ 177,922</b> | <b>\$ 104,841</b>             | <b>\$ 171,538</b> | <b>\$ 130,104</b>           | <b>\$ 3,728,238</b> |

The accompanying notes are an integral  
part of these financial statements.

**GULF COAST KID'S HOUSE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2025 AND 2024**

|                                                                                              | 2025                       | 2024                       |
|----------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>Cash Flows From Operating Activities:</b>                                                 |                            |                            |
| Change in net assets from operating activities                                               | \$ 683,325                 | \$ 462,159                 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities - |                            |                            |
| Depreciation and amortization                                                                | 187,122                    | 173,527                    |
| Changes in operating assets and liabilities -                                                |                            |                            |
| Grant and other receivables                                                                  | 117,901                    | (356,902)                  |
| Prepaid expenses and other current assets                                                    | 1,376                      | 18,073                     |
| Accounts payable                                                                             | (14,095)                   | 22,886                     |
| Accrued expenses                                                                             | 12,608                     | 27,156                     |
| Deferred revenue                                                                             | (16,169)                   | (2,729)                    |
| Net cash provided by operating activities                                                    | <u>972,068</u>             | <u>344,170</u>             |
| <b>Cash Flows From Investing Activities:</b>                                                 |                            |                            |
| Purchases of property and equipment                                                          | (60,373)                   | (911,594)                  |
| Purchases of intangible assets                                                               | -                          | (38,500)                   |
| Nonreciprocal transfers                                                                      | (250,000)                  | 890,176                    |
| Net cash used in investing activities                                                        | <u>(310,373)</u>           | <u>(59,918)</u>            |
| <b>Net Change in Cash and Cash Equivalents</b>                                               | 661,695                    | 284,252                    |
| <b>Cash and Cash Equivalents at Beginning of Year</b>                                        | <u>1,813,397</u>           | <u>1,529,145</u>           |
| <b>Cash and Cash Equivalents at End of Year</b>                                              | <u><u>\$ 2,475,092</u></u> | <u><u>\$ 1,813,397</u></u> |

The accompanying notes are an integral  
part of these financial statements.

**GULF COAST KID’S HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Organization:*

The Gulf Coast Kid’s House, Inc. (the “Kid’s House”) is a Florida corporation formed in 1998 for the purpose of building and operating a Children’s Advocacy Center (“CAC”) in Escambia County, Florida. The facility houses representatives of the various organizations now working with victims of child abuse. This multi-disciplinary team of professionals includes law enforcement, Department of Children and Families, State Attorney’s Office, the medical community, and the mental health community. The facility provides child victims of sexual and physical abuse a child friendly physical location where they can tell their experience of abuse in one interview as opposed to the multiple interviews that are necessary in the traditional system. The Kid’s House also operates the Child Protection Team (“CPT”) program, which is a medically directed, multidisciplinary program that works with law enforcement and the Department of Children and Families in cases of child abuse and neglect to supplement investigation activities.

*Reclassifications:*

Certain amounts reported in the prior-year financial statements have been reclassified to conform to the current-year presentation. Such reclassifications had no effect on total net assets or the change in net assets as previously reported.

*Basis of Accounting:*

The Kid’s House follows standards of accounting and financial reporting prescribed for nonprofit organizations. The Kid’s House uses the accrual basis of accounting, which recognizes revenues when earned and expenses when incurred. Contributions are recognized when donors make promises to give that are unconditional, in substance. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. An allowance for uncollectible pledges is provided based on management’s evaluation of potential uncollectible pledges receivable.

Revenue earned and contributions received are recorded as with or without donor restrictions, depending on the existence or nature of any restrictions. Contributions that are restricted by the donor are reported as increases in net assets without restrictions if the restriction expires in the reporting period in which support is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. A restriction expires when either a stipulated time restriction ends, or a purpose restriction is accomplished. Thus, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**GULF COAST KID'S HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Basis of Presentation:*

Net assets, revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Kid's House and changes therein are reported as follows:

*Net Assets Without Donor Restrictions* – Net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by the action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

*Net Assets With Donor Restrictions* – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be fulfilled by actions of the Kid's House pursuant to imposed stipulations or by the passage of time. Other donor restrictions are permanent in nature, whereby the donor has stipulated that the funds be maintained in perpetuity but permits the Kid's House to use or expend part or all of the income derived from the donated assets for either specified or unspecified purposes.

*Use of Estimates:*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Cash and Cash Equivalents:*

The Kid's House considers all liquid investments with an original maturity of three months or less to be cash equivalents.

*Property and Equipment:*

In accordance with the Kid's House capitalization policy, capital assets which equal or exceed \$2,500 and that materially increase values, change capacities, or extend useful lives are capitalized. Repair and maintenance costs are charged to operations when incurred. Property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated useful lives of the assets.

Estimated useful lives are generally as follows:

|                                   |               |
|-----------------------------------|---------------|
| Building and improvements         | 5 - 40 years  |
| Furniture, fixtures and equipment | 5 - 20 years  |
| Parking lot improvements          | 10 - 40 years |

**GULF COAST KID'S HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Intangible Assets:*

The Kid's House is in the process of producing child abuse prevention training videos, which will be used to provide training to the community as part of the Kid's House's prevention program. Upon completion of production, the cost of producing these videos will be amortized over an estimated benefit period to be determined by management.

*Grants and Contracts:*

Revenue from grants and contracts, awarded to and accepted by the Kid's House, is recognized as earned, that is, as the related allowable costs are incurred, or the performance of milestones are achieved under the grant or contract agreements. Management considers all grants and contracts receivable to be fully collectible; therefore, no allowance for uncollectible accounts related to grants and contracts has been established.

The opening balances of grants and contracts receivable were \$618,450 and \$261,548 as of July 1, 2024, and 2023, respectively.

*Rent Income:*

The various organizations with representatives housed in the Kid's House building pay monthly rent to the Kid's House. Rent amounts are based on lease agreements and are recognized as income when due under the terms of the agreements.

The Kid's House assumed a lease following the purchase of property in December 2023. Rent amounts are based on the lease agreement and are recognized as income when due under the terms of the agreement.

*Internal Rent:*

The Kid's House Partner Agency Support program charged the CPT program rent based on a rate determined by management and consistent with that which is charged to partner agencies in the building using the portion of space occupied by the CPT in the Kid's House building. This rent totaled \$32,064 for the years ended June 30, 2025 and 2024, and is reflected as "Internal rent" in the statement of functional expenses.

**GULF COAST KID'S HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Charges for Services:*

Revenue for charges for services, such as medical exams and other services provided by CPT, is recognized as earned, that is when services are provided. Management considers all receivables for charges for services to be fully collectible; therefore, no allowance for uncollectible accounts related to charges for services has been established. Individual clients are not charged for services.

*Payroll Expense Allocations:*

Payroll expenses for employees are allocated to programs based on the proportion of which each employee's position benefits the various programs as determined by management.

*Contributions of Non-financial Assets:*

Major goods and services donated to the Kid's House include legal services, advertising, prizes, and other costs for fund raising events, office supplies and software discounts. The computation of value for the contributions is based on the fair value of the contributed items or services as of the date received. Contributions of non-financial assets are reported as revenue and are expensed or capitalized as an asset in the period received.

*Income Taxes:*

The Kid's House is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. As a result, there is no provision for taxes in the accompanying financial statements.

*Measure of Operations:*

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Kid's House's ongoing activities. Non-operating activities are limited to resources considered to be of a more unusual or nonrecurring nature.

*Subsequent Events:*

Management has evaluated subsequent events through February 18, 2026, which is the date the financial statements were available to be issued.

**GULF COAST KID'S HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 2 - PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2025 and 2024 consists of the following:

|                                                 | 2025                | 2024                |
|-------------------------------------------------|---------------------|---------------------|
| Land                                            | \$ 707,778          | \$ 707,778          |
| Building and improvements                       | 3,653,537           | 3,620,976           |
| Furniture, fixtures and equipment               | 487,924             | 460,362             |
| Parking lot improvements                        | 206,680             | 206,680             |
| Construction in progress                        | 6,960               | 7,460               |
|                                                 | 5,062,879           | 5,003,256           |
| Less: accumulated depreciation and amortization | (1,888,145)         | (1,703,440)         |
| Property and equipment, net                     | <u>\$ 3,174,734</u> | <u>\$ 3,299,816</u> |

Depreciation of property and equipment totaled \$185,122 and \$173,194 for the years ended June 30, 2025 and 2024, respectively.

The above property and equipment includes property leased by the Kid's House to partner agencies and non-partner entities. Partner agencies leased space with a cost of approximately \$762,400 and \$755,600 as of June 30, 2025 and 2024, respectively, and accumulated depreciation of approximately \$337,500 and \$316,900 as of June 30, 2025 and 2024, respectively. Non-partner entities leased space with a cost of \$515,687 and \$493,158 as of June 30, 2025 and 2024, respectively and accumulated depreciation of \$39,437 and \$14,383 as of June 30, 2025 and 2024, respectively.

**NOTE 3 - INTANGIBLE ASSETS**

Intangible assets consist of capitalized costs related to website development and the production of child abuse prevention training videos. The video production project was in-progress and was not placed in service as of June 30, 2025. Upon completion of production, Gulf Coast Kid's House will amortize the video costs over the estimated future benefit period as determined by management. Amortization expense related to website development intangible assets totaled \$2,000 and \$333 for the years ended June 30, 2025 and 2024, respectively.

**GULF COAST KID’S HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 4 - NET ASSETS**

Net assets without donor restrictions include \$1,513,573 and \$1,255,730 limited to the CPT program by contractual agreement with an outside party as of June 30, 2025 and 2024, respectively. Net assets without donor restrictions also include \$180,535 designated by the board for capital campaign as of June 30, 2025.

Donor restricted net assets consist of the following as of June 30:

|                                          | 2025              | 2024              |
|------------------------------------------|-------------------|-------------------|
| Prevention                               | \$ -              | \$ 1,505          |
| Summer camp                              | 1,077             | 1,077             |
| Mental health                            | 12,162            | -                 |
| Therapy dog                              | 2,500             | 2,500             |
| Security for Anderson street building    | 5,000             | 5,000             |
| Car seats                                | 2,615             | 2,929             |
| Parent-child interaction therapy program | -                 | 1,686             |
| Capital campaign                         | 327,500           | 232,500           |
| Therapy garden                           | 4,000             | 4,000             |
|                                          | <u>\$ 354,854</u> | <u>\$ 251,197</u> |

**NOTE 5 - DEPOSITORY RISK**

The Kid’s House’s cash balances held at financial institutions are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to certain limits. At June 30, 2025 and 2024, the Kid’s House had cash balances of approximately \$1,975,000 and \$1,295,000 respectively, held by financial institutions in excess of insured limits.

**GULF COAST KID’S HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 6 - RELATED PARTY TRANSACTIONS**

*GCKH Future Fund:*

GCKH Future Fund, Inc. (“Future Fund”) is a not-for-profit corporation organized for management of an endowment fund and contributions made to such fund on behalf of the Kid’s House. All of the Future Fund’s resources are held for the benefit of the Kid’s House. During the years ended June 30, 2025 and 2024, the Future Fund recognized income of \$462,376 and \$252,178, respectively, and incurred expenses and losses of \$39,190 and \$948,458, respectively. Included in these results were nonreciprocal transfers from the Kid’s House to GCKH Future Fund of \$250,000 for the year ended June 30, 2025; and from GCKH Future Fund to the Kid’s House of \$910,176 for the year ended June 30, 2024.

As of June 30, 2025 and 2024, the Future Fund had assets and equity balances of \$2,465,169 and \$2,041,985, respectively.

**NOTE 7 - LIQUIDITY**

Financial assets available for general expenditures within one year of June 30 are as follows:

|                             | <u>2025</u>                | <u>2024</u>                |
|-----------------------------|----------------------------|----------------------------|
| Cash and cash equivalents   | \$ 2,475,092               | \$ 1,813,397               |
| Grant and other receivables | <u>500,549</u>             | <u>618,450</u>             |
|                             | <u><u>\$ 2,975,641</u></u> | <u><u>\$ 2,431,847</u></u> |

At June 30, 2025, and 2024, all net assets with donor restrictions are available for payment of qualifying expenses, and all financial assets without donor restrictions are available to meet cash needs for general expenditures, except for cash contractually limited to CPT program expenditures and amounts designated by the board for capital costs.

**GULF COAST KID'S HOUSE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 8 - CONTRIBUTIONS OF NON-FINANCIAL ASSETS**

The Kid's House received contributions of non-financial assets of the following nature and amount during the years ended June 30:

| Description                                           | Utilization in<br>Programs/Activities | Donor<br>Restrictions                     | Valuation Techniques<br>and Inputs                                                     | 2025             | 2024             |
|-------------------------------------------------------|---------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------------|------------------|------------------|
| Brunch & Bubbles sponsors, venue, and auction items   | Fundraising                           | Brunch & Bubbles and Other special events | Donations were valued at fair market value.                                            | \$ 38,989        | \$ 35,141        |
| Payroll software discounts and other vendor discounts | General and Administrative            | No associated donor restrictions          | Value supplied by the service provider was used as an estimation of fair market value. | 4,768            | 4,548            |
| Supplies                                              | General and Administrative            | No associated donor restrictions          | Donations were valued at fair market value.                                            | -                | 881              |
| Construction labor-building repairs/renovations       | Partner Agency Support                | No associated donor restrictions          | Value supplied by the service provider was used as an estimation of fair market value. | 1,215            | -                |
| Construction labor-building repairs/renovations       | General and Administrative            | No associated donor restrictions          | Value supplied by the service provider was used as an estimation of fair market value. | 4,300            | 2,932            |
| Storage space                                         | General and Administrative            | No associated donor restrictions          | Donations were valued at fair market value.                                            | 2,520            | 2,280            |
| Clothing and other supplies                           | Partner Agency Support                | Client families                           | Donations were valued at fair market value.                                            | 2,806            | -                |
| Professional services-legal                           | Child Protection Team                 | No associated donor restrictions          | Value supplied by the service provider was used as an estimation of fair market value. | -                | 2,979            |
| Gift cards, and other supplies                        | Advocacy                              | Client families                           | Donations were valued at fair market value.                                            | 500              | 30               |
|                                                       |                                       |                                           |                                                                                        | <u>\$ 55,098</u> | <u>\$ 48,791</u> |

Additionally, the Kid's House utilized various unskilled volunteer services. Volunteer hours for those services totaled 1,710 and 1,938 for the years ended June 30, 2025 and 2024, respectively.

## **SUPPLEMENTARY INFORMATION**

**GULF COAST KID'S HOUSE, INC.**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2025**

| State Grantor, Pass-through Grantor,<br>Program or Cluster Title                 | CSFA<br>Number | Pass-through Agency's<br>Identifying Number | Expenditures        |
|----------------------------------------------------------------------------------|----------------|---------------------------------------------|---------------------|
| <b><u>State of Florida Department of Legal Affairs</u></b>                       |                |                                             |                     |
| <b><u>Office of the Attorney General</u></b>                                     |                |                                             |                     |
| Florida Network of Children's Advocacy Centers                                   | 41.031         | CAC01                                       | \$ 333,196          |
| <b><u>State of Florida Department of Highway</u></b>                             |                |                                             |                     |
| <b><u>Safety and Motor Vehicles</u></b>                                          |                |                                             |                     |
| Florida Network of Children's Advocacy Centers Voluntary<br>Contribution Program | 76.123         | CAC-01                                      | 6,871               |
| <b><u>State of Florida Department of Children and Families</u></b>               |                |                                             |                     |
| Florida Network of Children's Advocacy Centers                                   | 60.124         | N/A                                         | 8,400               |
| <b><u>State of Florida Department of Health</u></b>                              |                |                                             |                     |
| Medical Services for Abused and Neglected Children                               | 64.006         | CP11A                                       | 1,540,715           |
| <b>Total Expenditures of State Financial Assistance</b>                          |                |                                             | <u>\$ 1,889,182</u> |

NOTE: This schedule is presented on the accrual basis of accounting in accordance with generally accepted accounting principles.

## **OTHER REPORTS AND SCHEDULE**



**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**

Board of Directors  
Gulf Coast Kid's House, Inc.  
Pensacola, Florida

We have audited, 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, the financial statements of Gulf Coast Kid's House, Inc. (the "Kid's House") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, 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 February 18, 2026.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Kid's House's internal control over financial reporting (internal control) to determine the 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 Kid's House's internal control. Accordingly, we do not express an opinion on the effectiveness of the Kid's House's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Kid's House'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 the 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 Kid's House'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 Kid's House'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 Kid's House's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script, appearing to read "Saltmarsh".

Pensacola, Florida  
February 18, 2026



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR  
EACH MAJOR STATE PROJECT AND ON INTERNAL  
CONTROL OVER COMPLIANCE REQUIRED BY  
CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

Board of Directors  
Gulf Coast Kid's House, Inc.  
Pensacola, Florida

**Report on Compliance for Each Major State Project**

We have audited the compliance of the Gulf Coast Kid's House, Inc. (the “Kid’s House”) with the types of compliance requirements described in the in the *Executive Office of the Governor’s State Project Compliance Supplement* that could have a direct and material effect on the Kid’s House’s major state projects for the year ended June 30, 2025. The Kid’s House’s major state projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

**Management’s Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major state project.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on compliance for the Kid’s House’s major state projects based on our audit of the types of compliance requirements referred to above. 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; the audit requirements of Chapter 10.650, Rules of the Auditor General. Those standards and Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the Kid’s House’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state project. However, our audit does not provide a legal determination of the Kid’s House’s compliance.

### **Opinion on Each Major State Project**

In our opinion, the Kid's House complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state project for the year ended June 30, 2025.

### **Report on Internal Control Over Compliance**

Management of the Kid's House is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Kid's House's internal control over compliance with the types of requirements that could have a direct and material effect on the major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state project and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Kid's House's 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 state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 state project 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 state project 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



Pensacola, Florida  
February 18, 2026

**GULF COAST KID'S HOUSE, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2025**

**A. SUMMARY OF AUDITOR'S RESULTS**

1. The independent auditor's report expresses an unmodified opinion on the financial statements of Gulf Coast Kid's House, Inc. ("the Kid's House").
2. No significant deficiencies in internal control relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the Kid's House, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major state project are reported in the Independent Auditor's Report on Compliance for Each Major State Project and on Internal Control Over Compliance Required by Chapter 10.650, Rules of the Auditor General.
5. The auditor's report on compliance for the major state project for the Kid's House expresses an unmodified opinion.
6. There are no audit findings relative to the major state project for the Kid's House which are required to be reported in accordance with Chapter 10.656, Rules of the Auditor General.
7. The state project tested as a major project consisted of the following:

**State Project**

Medical Services for Abused and Neglected Children

CSFA No. 64.006

8. The threshold used for distinguishing between Type A and B projects was \$750,000 for major state projects.

**GULF COAST KID'S HOUSE, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2025**

**B. FINDINGS - FINANCIAL STATEMENT AUDIT**

There were no findings relating to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR STATE PROJECT**

None

In accordance with Rules of the Auditor General, Section 10.656(3)(e), no management letter is required because there were no findings required to be reported in the management letter.

**D. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

There were no such findings on which to report.