

NEW BRIDGE CLEVELAND,
CENTRAL SCHOOL OF PRACTICAL NURSING, INC.
AND
CENTRAL SCHOOL OF PRACTICAL NURSING TRUST

CONSOLIDATED FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

June 30, 2024

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MEADEN & MOORE

INDEPENDENT AUDITOR'S REPORT

Board of Directors
New Bridge Cleveland,
Central School of Practical Nursing, Inc.
and Central School of Practical Nursing Trust
Cleveland, Ohio

Opinion

We have audited the consolidated financial statements of New Bridge Cleveland (“Organization”), which comprise the Consolidated Statement of Financial Position as of June 30, 2024 and 2023, and the related Consolidated Statements of Activities and Changes in Net Assets, Functional Expenses and Cash Flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of New Bridge Cleveland as of June 30, 2024 and 2023, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management’s Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the Organization’s ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditor’s 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 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 GAAS 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.

Meaden & Moore, Ltd.

(A Meaden & Moore Affiliate Company)

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In performing an audit in accordance with GAAS, 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information 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 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 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 December 30, 2024, on our consideration of New Bridge Cleveland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 New Bridge Cleveland's internal control over financial reporting and compliance.



Meaden & Moore, Ltd.
Akron, Ohio

December 30, 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

	June 30	
	2024	2023
ASSETS		
Cash and cash equivalents	\$ 2,205,594	\$ 353,323
Investments	2,637,366	-
Accounts receivable	404,905	226,041
Pledge receivable	-	25,000
Grant and contribution receivables	667,750	543,291
Prepaid expenses	261	-
Property and equipment - net	1,158,939	154,275
Assets held in trust by others	115,938	100,395
Other receivable - Employer Retention Credit	158,287	-
Deposits	38,088	23,053
Finance lease right-of-use asset	-	6,173
Operating lease right-of-use asset	1,774,279	1,347,994
Total Assets	\$ 9,161,407	\$ 2,779,545
LIABILITIES		
Accounts payable	\$ 139,890	\$ 79,852
Accrued expenses	163,526	33,562
Contract liabilities	14,020	-
Finance lease liability	-	6,945
Operating lease liability	1,839,720	1,404,078
Long-term debt	243,400	-
Total Liabilities	2,400,556	1,524,437
NET ASSETS		
Without Donor Restrictions	3,301,328	437,921
With Donor Restrictions:		
Purpose or time restricted	822,157	817,187
Restricted in perpetuity	2,637,366	-
Total Net Assets With Donor Restrictions	3,459,523	817,187
Total Net Assets	6,760,851	1,255,108
Total Liabilities and Net Assets	\$ 9,161,407	\$ 2,779,545

See accompanying notes.

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

Year Ended June 30

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Grants - government	\$ 1,068,188	\$ -	\$ 1,068,188
Contributions and other grants	3,508,435	1,616,500	5,124,935
Special events - net	-	-	-
Program fees	276,677	-	276,677
Student Loans	69,867	-	69,867
Pell Grants	48,605	-	48,605
Investment income	13,644	348,521	362,165
Change in assets held by others	14,862	-	14,862
Other income	8,016	-	8,016
Total Support and Revenue	5,008,294	1,965,021	6,973,315
Net Assets Released from Restrictions:			
Satisfaction of program restrictions	2,162,697	(2,162,697)	-
	7,170,991	(197,676)	6,973,315
EXPENSES			
Program Services:			
Adult program	1,098,938	-	1,098,938
Youth program	1,205,765	-	1,205,765
CSPN	629,780	-	629,780
Advocacy	471,042	-	471,042
Total Program Services	3,405,525	-	3,405,525
General and administrative	675,817	-	675,817
Fundraising and development	273,864	-	273,864
Total Expenses	4,355,206	-	4,355,206
Change in Net Assets	2,815,785	(197,676)	2,618,109
Beginning Net Assets	437,921	817,187	1,255,108
Transaction - Note 10	47,622	2,840,012	2,887,634
Ending Net Assets	\$ 3,301,328	\$ 3,459,523	\$ 6,760,851

See accompanying notes.

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Grants - government	\$ 1,682,633	\$ -	\$ 1,682,633
Contributions and other grants	164,986	1,487,208	1,652,194
Special events - net	-	16,654	16,654
Program fees	286,685	-	286,685
Student Loans	-	-	-
Pell Grants	-	-	-
Investment income	774	-	774
Change in assets held by others	8,983	-	8,983
Other income	2,141	-	2,141
Total Support and Revenue	2,146,202	1,503,862	3,650,064
Net Assets Released from Restrictions:			
Satisfaction of program restrictions	1,105,449	(1,105,449)	-
	3,251,651	398,413	3,650,064
EXPENSES			
Program Services:			
Adult program	1,108,490	-	1,108,490
Youth program	1,820,905	-	1,820,905
CSPN	-	-	-
Advocacy	335,749	-	335,749
Total Program Services	3,265,144	-	3,265,144
General and administrative	148,040	-	148,040
Fundraising and development	211,564	-	211,564
Total Expenses	3,624,748	-	3,624,748
Change in Net Assets	(373,097)	398,413	25,316
Beginning Net Assets	811,018	418,774	1,229,792
Ending Net Assets	<u>\$ 437,921</u>	<u>\$ 817,187</u>	<u>\$ 1,255,108</u>

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

Year Ended June 30, 2024

	Program Services				Supporting Services			
	Adult Program	Youth Program	CSPN	Advocacy	Total Program	General and Administrative	Fundraising and Development	Total
Salaries	\$ 479,886	\$ 543,586	\$ 321,162	\$ 273,248	\$ 1,617,882	\$ 354,539	\$ 139,760	\$ 2,112,181
Employee Benefits	44,101	102,012	23,040	12,284	181,437	53,120	7,588	242,145
Payroll Taxes	40,127	36,778	23,972	23,421	124,298	19,141	9,083	152,522
	<u>564,114</u>	<u>682,376</u>	<u>368,174</u>	<u>308,953</u>	<u>1,923,617</u>	<u>426,800</u>	<u>156,431</u>	<u>2,506,848</u>
Travel and Training	24,730	15,627	6,187	3,281	49,825	5,847	872	56,544
Subscription and Dues	39,980	8,664	5,168	1,550	55,362	3,774	1,968	61,104
Materials and Supplies	114,170	38,572	28,668	2,191	183,601	6,720	2,779	193,100
Student Expenses	-	-	44,726	-	44,726	-	-	44,726
Marketing and Public Relations	15,294	5,726	-	495	21,515	2,053	8,557	32,125
Professional Services	107,295	358,026	64,789	147,012	677,122	145,971	96,193	919,286
Utilities	6,809	15,812	5,154	2,382	30,157	32,175	964	63,296
Repairs and Maintenance	77	187	804	22	1,090	1,948	11	3,049
Lease Payments	199,968	73,778	85,556	1,164	360,466	6,442	2,444	369,352
Miscellaneous	-	-	8,556	-	8,556	941	-	9,497
Bad Debt Expense	-	-	-	-	-	36,824	-	36,824
Depreciation Expense	26,501	6,997	11,998	3,992	49,488	6,322	3,645	59,455
Total Expenses	<u>\$ 1,098,938</u>	<u>\$ 1,205,765</u>	<u>\$ 629,780</u>	<u>\$ 471,042</u>	<u>\$ 3,405,525</u>	<u>\$ 675,817</u>	<u>\$ 273,864</u>	<u>\$ 4,355,206</u>

See accompanying notes.

	Program Services				Supporting Services			
	Adult Program	Youth Program	CSPN	Advocacy	Total Program	General and Administrative	Fundraising and Development	Total
Salaries	\$ 565,835	\$ 746,540	\$ -	\$ 144,606	\$ 1,456,981	\$ 71,451	\$ 98,326	\$ 1,626,758
Employee Benefits	60,389	103,249	-	10,118	173,756	36,368	12,254	222,378
Payroll Taxes	42,619	50,463	-	13,771	106,853	3,810	6,867	117,530
	668,843	900,252	-	168,495	1,737,590	111,629	117,447	1,966,666
Travel and Training	15,730	24,732	-	1,440	41,902	5,736	2,463	50,101
Subscription and Dues	18,231	8,885	-	502	27,618	1,471	1,671	30,760
Materials and Supplies	111,199	74,072	-	4,245	189,516	4,762	2,848	197,126
Student Expenses	-	-	-	-	-	-	-	-
Marketing and Public Relations	3,687	21,539	-	5,000	30,226	7,630	1,899	39,755
Professional Services	80,422	690,675	-	152,979	924,076	13,592	78,569	1,016,237
Utilities	10,529	11,191	-	1,154	22,874	3,289	1,209	27,372
Repairs and Maintenance	2,443	1,738	-	131	4,312	3,032	65	7,409
Lease Payments	191,853	74,336	-	217	266,406	(6,894)	4,600	264,112
Miscellaneous	-	-	-	-	-	620	-	620
Bad Debt Expense	-	-	-	-	-	-	-	-
Depreciation Expense	5,553	13,485	-	1,586	20,624	3,173	793	24,590
Total Expenses	<u>\$ 1,108,490</u>	<u>\$ 1,820,905</u>	<u>\$ -</u>	<u>\$ 335,749</u>	<u>\$ 3,265,144</u>	<u>\$ 148,040</u>	<u>\$ 211,564</u>	<u>\$ 3,624,748</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

	Year Ended June 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 5,524,219	\$ 3,743,201
Investment income	13,644	774
Cash paid to suppliers and employees	(4,168,510)	(3,563,338)
Interest paid	(10,222)	(620)
Cash Provided by Operating Activities	1,359,131	180,017
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of securities	482,059	-
Capital expenditures	(231,395)	(127,742)
Proceeds received from transaction (Note 10)	246,095	-
Purchase of investments	(2,119)	-
Contributions to funds held by others	(1,500)	(1,200)
Cash Provided by (Used in) Investing Activities	493,140	(128,942)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of finance lease obligation	-	(7,926)
Increase in Cash and Cash Equivalents	1,852,271	43,149
Cash and Cash Equivalents - Beginning of the Year	353,323	310,174
Cash and Cash Equivalents - End of the Year	\$ 2,205,594	\$ 353,323

See accompanying notes.

	Year Ended June 30	
	<u>2024</u>	<u>2023</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Change in Net Assets	\$ 2,618,109	\$ 25,316
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	59,455	24,590
Amortization of right-of-use asset	253,660	166,036
Realized gain on sale of investments	(395,818)	-
Unrealized loss on investments	67,301	-
Change in fair value of funds held by others	(14,043)	(10,409)
Dividends reinvested	(20,004)	-
Noncash donated property	(700,000)	-
Increase (Decrease) in Cash from Changes in:		
Accounts receivable	(116,449)	57,624
Pledge receivable	25,000	25,000
Grant and contribution receivables	(124,459)	(168,858)
Prepaid expenses	4,663	-
Other receivable - Employer Retention Credit	-	190,554
Accounts payable	53,510	14,488
Accrued expenses	60,363	12,161
Contract liabilities	(156,980)	-
Change in lease liability	(255,177)	(156,485)
	<u>(1,258,978)</u>	<u>154,701</u>
 Total Adjustments	 <u>(1,258,978)</u>	 <u>154,701</u>
 Cash Provided by Operating Activities	 <u>\$ 1,359,131</u>	 <u>\$ 180,017</u>
 Supplemental Schedule of Noncash Investing and Financing Activities:		
Capitalization of right-of-use asset	<u>\$ 683,874</u>	<u>\$ 1,560,563</u>
Assets assumed with transaction (Note 10)	<u>\$ 2,641,539</u>	<u>\$ -</u>

NOTES TO FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

1 Summary of Significant Accounting Policies

Nature of the Organization:

New Bridge Cleveland (“New Bridge”), incorporated under the laws of the State of Ohio in 2009, is a non-profit entity that envisions a vibrant community living up to its fullest educational and economic potential. The Organization serves to bridge the gap between adversity and success by offering education, providing opportunities, and inspiring hope. The Organization provides education and personalized support to empower those it serves and to transform lives. The cost of services to both youth and adult students is approximately \$2,500 per student. There are potentially many partners who can provide support to cover those costs and the Organization has a limited number of scholarships for students who do not qualify for assistance from any of the partners.

New Bridge works as an intermediary by convening regional partners and collaborating as a group to build the skilled workforce healthcare employers need; provide educators the resource they need to attract and propel students into healthcare careers; increase student access to healthcare career exploration and work-based learning opportunities and connect job seekers to local healthcare care careers.

In November 2023, New Bridge entered into a member transition agreement with Central School of Practical Nursing, Inc (“School”). Under the agreement, New Bridge became the sole member of the School effective January 10, 2024.

The School is a separate 501(c)3 formed in 1937. Located in Independence, Ohio, the School teaches students to become licensed practical nurses. Students complete the School’s licensed practical nurse program in 46 weeks.

The Central School of Practical Nursing Trust (“Trust”) was established in 1954 for the sole benefit of the School. The Trust is a separate 501(c)3 and is separately operated and accounted for, but is controlled through common governance as the School. The trust will continue to support the School after the membership transition agreement.

Consolidation:

The consolidated financial statements include the accounts of the above mentioned entities (referred to as the “Organization”). Upon consolidation, all material intercompany accounts are eliminated.

Cash and Cash Equivalents:

For the purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Temporarily uninvested cash in investment accounts is considered an investment rather than a cash equivalent.

At times during the year, the Organization maintained funds on deposit at its banks in excess of FDIC insurance limits.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

1 Summary of Significant Accounting Policies, Continued

Investments:

Investments include common stocks and money market funds. Investments are recorded at fair value based on published market prices.

Fair Value Measurements:

FASB ASC 820, "Fair Value Measurements", applies to all financial instruments that are measured and reporting on a fair value basis. As defined in FASB ASC 820, fair value is 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. In determining fair value, the Organization utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable firm inputs. The Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the examination of the inputs used in the valuation techniques, the Organization is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values.

Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- * Quoted prices for similar assets or liabilities in active markets;
- * Quoted prices for identical assets or similar assets or liabilities in inactive markets;
- * Inputs other than quoted prices that are observable for the asset or liability;
- * Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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.

Cash and Cash Equivalents:

Cash funds are valued at principal plus interest at a variable rate (Level 1).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

1 Summary of Significant Accounting Policies, Continued

Money Market Funds and Common Stock:

The Organization's investments include money market funds and common stock. These investments included in these classifications are measured at the fair value using quoted market prices for identical assets (Level 1).

Assets Held in Trust by Others:

The Organization has a fund held in Cleveland Foundation's ("Foundation") Flagship Pool, a comingled pool that is made up of many investment managers. The Fund does not hold any underlying securities, but rather, holds ownership interest (number of shares) in the investment pool. The purpose of the Fund is to provide an ongoing source of annual support to benefit the Organization. The Foundation invests in equities, fixed income, and cash equivalents. The Fund balance amounts to \$115,938 (2024) and \$100,395 (2023).

The assets in the investment account are to be invested at the discretion of the Foundation. There are no restrictions on the Fund and the Organization can make distribution requests from the Fund, which are subject to approval by a voting majority of the Organization's and Foundation's board of directors. Annual distributions from the investments will be based on the fair value of the Fund. Amounts are calculated on January 1 of each year.

Net Asset Value per share is calculated each month based on the total month-end market values of the investment Pool. Therefore, the assets are categorized as Level 2 assets for the Organization.

Accounts Receivable:

The Organization recognizes an allowance for credit losses on accounts receivable in an amount equal to the current expected credit losses. The estimation of the allowance is based on an analysis of historical loss experience, current receivables aging, and the management's assessment of current conditions and reasonable and supportable expectation of future conditions, as well as an assessment of specific identifiable customer accounts considered at risk or uncollectible.

Based on management's evaluation of the collectability of accounts receivable, the allowance for credit losses at June 30, 2024 and 2023 was \$8,654 and \$0, respectively. Trade accounts receivable amounted to \$404,905 (2024), \$226,041 (2023), and \$283,665 (2022). Management provides for uncollectible amounts based on its assessment of the current status of individual accounts.

Pledge Receivable:

Pledges receivable includes unconditional pledges from various sources which will be collected over multiple installments through January 2024. Discounts on pledge receivables is not material to the consolidated financial statements. The Organization's policy is to reduce pledges receivable by a valuation allowance that reflects management's best estimate of the amounts that will not be collected.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

1 Summary of Significant Accounting Policies, Continued

Pledge Receivable, Continued:

When receivables are determined to be uncollectible, they are written off against the allowance for doubtful accounts. At June 30, 2024 and 2023, management believes that the pledge receivable is collectible and, therefore, no allowance is required.

Grant and Contribution Receivables:

Grant and contribution receivables consist of unconditional promises by individuals, foundations and other entities, which are recorded at net realizable value. At June 30, 2024 and 2023, management believes that all receivables are collectible and, therefore, no allowance is required.

Property and Equipment:

Property and equipment purchased by the Organization are carried at cost. Donated property and equipment are recorded at estimated fair value at the date of donation. Expenditures which substantially increase the useful lives of existing assets are capitalized. Routine maintenance and repairs and capital expenditures of less than \$1,000 are expensed as incurred. The cost and related accumulated depreciation of property and equipment sold or otherwise disposed of are removed from the accounts and any gain or loss is reflected in the current year's activities.

	2024	2023
Leasehold improvements	\$ 1,652,105	\$ 1,451,027
Furniture, fixtures and office equipment	692,075	373,847
Computer equipment and software	489,750	209,128
Construction in progress	792,519	47,813
	3,626,449	2,081,815
Less: Accumulated depreciation	(2,467,510)	(1,927,540)
Property and Equipment, Net	\$ 1,158,939	\$ 154,275
Depreciation Expense	\$ 59,455	\$ 24,590

The Organization provides for depreciation of property and equipment generally using straight-line methods of depreciation over the following estimated useful lives of the assets:

Class	Years
Leasehold improvements	In line with lease term at time of acquisition
Furniture, fixtures and office equipment	5 - 10
Computer equipment and software	3 - 5

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

1 Summary of Significant Accounting Policies, Continued

Vacation Policy:

Vacation is earned based on job classification, length of service, and/or other factors. As of June 30, 2024, the Organization has accrued vacation of \$99,523 (2024) and \$0 (2023) which is included in "Accrued Expenses".

Contract Liabilities:

Contract liabilities represent revenues collected but not earned as of year-end. This is primarily composed of revenue from student tuition for classes taught in the first quarter of the following year.

Marketing Costs:

The Organization participates in various advertising and marketing programs. All costs related to marketing and advertising the Organization's products are expensed in the period incurred. Advertising costs charged to operations was \$32,125 (2024) and \$39,755 (2023).

Functional Expense Allocations

Expenses are charged to functional areas based on specific-identification when possible. Expenses that cannot be specifically identified to a function are allocated to the functional areas based on factors such as direct relationship of expense, time spent by employees and square footage of space used for various programs. The expenses that are allocated include utilities and facility costs which are allocated on a square footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort. Certain costs, such as consultants, contract employees and program materials, are allocated directly to the applicable program.

Classification of Net Assets:

In accordance with U.S. GAAP, contributions and grants are classified without donor restriction or with donor restriction based on donor specifications. Revenue and gains are presented under these classifications. Contributions and grants with donor restrictions can be for a specified purpose or time or perpetual in nature.

Revenue Recognition:

The Organization recognizes revenue from vocation services, retail sales and contracts under ASC 606 "Revenue from Contracts with Customers". Revenue is recognized when customers obtain control of promised goods or services in an amount that reflects the consideration for which the Organization expects to receive in exchange for those goods or services.

Tuition and fees are recognized as revenue in the period in which the educational or other services are provided. Tuition, which is paid in advance of each class, is recorded as deferred revenue (contract liability) and recognized as tuition and fees revenue over the 23-week term of the class on a straight-line basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

1 Summary of Significant Accounting Policies, Continued

Revenue Recognition, Continued:

Tuition and fees revenue are reported net of revenues from scholarships, which consists primarily of contributions for scholarships provided by a private foundation. Contributions for scholarships are recorded as contribution revenue with donor restrictions and, when the restrictions expire, are reclassified from net assets with donor restrictions to net assets without donor restrictions.

The United States Department of Education awards the School funds for student financial aid under the Federal Pell Grant Program and the Federal Direct Student Loans Program. These programs provide eligible students a foundation of financial aid to assist with defraying the costs of post-secondary education. Revenues from these programs are included in Pell Grants revenue and tuition and fees revenue, respectively, in the accompanying Consolidated Statements of Activities and Changes in Net Assets.

The Organization recognizes revenue for contributions under ASC 605 where applicable. The Organization recognizes contributions when cash or an unconditional promise to give is received.

Revenue from grants and reimbursement contracts is recognized to the extent that expenses eligible under the grant agreements or for reimbursement have been incurred during the period. Revenue from fees is recognized in the period when the services are provided.

Contributions and grants are recognized when received as with or without donor restriction in accordance with donor specifications. When a restriction expires through accomplishment of purpose or passage of time, the with donor restriction net assets are reclassified to without donor restriction where appropriate and reported in the Statement of Activities and Changes in Net Assets as net assets released from restriction.

Employee Retention Credits:

The Employee Retention Credit (“ERC”) was created under the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), enacted March 27, 2020, to encourage businesses to retain employees on their payroll. The taxpayer Certainty and Disaster Tax Relief Act of 2020 (“Relief Act”), enacted December 27, 2020, amended and extended the ERC for the first and second quarters of 2021.

The School determined that they were eligible for the ERC for the first, second, and third quarters of 2021. The School filed the necessary amended payroll tax returns to claim the credits. The total amount is still outstanding and included as a receivable on the Consolidated Statement of Financial Position as of June 30, 2024.

Income Tax Status:

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and operates as a public charity. The Organization is required to operate in conformity with the Code to maintain its tax-exempt status.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

1 Summary of Significant Accounting Policies, Continued

Accounting for Uncertainty in Income Taxes:

The Organization follows the provisions of "Accounting for Uncertainty in Income Taxes" which prescribes a recognition threshold and a measurement attribute for the consolidated financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. The Organization recognizes interest and penalties accrued related to unrecognized tax uncertainties in income tax expense, if any. The Organization determined that there are no material uncertain tax positions.

Fair Value of Financial Instruments:

Financial instruments held by the Organization include, among others, accounts receivable, accounts payable and capital lease obligations. The carrying amounts reported in the Statement of Financial Position for assets and liabilities qualifying as financial instruments are a reasonable estimate of fair value.

Use of Estimates:

The preparation of consolidated 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 disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events:

Management evaluates events occurring subsequent to the date of the consolidated financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements.

Subsequent events have been evaluated through December 30, 2024, which is the date the consolidated financial statements were available to be issued.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

2 Investments

The Organization’s investments at June 30 consist of the following:

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Money market funds	\$ 19,907	\$ 19,907	\$ -	\$ -
Mutual funds	52,227	78,330	-	-
Common stock	<u>440,719</u>	<u>2,539,129</u>	-	-
Total	<u>\$ 512,853</u>	<u>2,637,366</u>	<u>\$ -</u>	<u>-</u>
Less: Cost		<u>512,853</u>		<u>-</u>
Net Unrealized Gains on Marketable Securities		<u>\$ 2,124,513</u>		<u>\$ -</u>

Investment income consist of the following:

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 20,004	\$ -
Interest - savings accounts	13,644	774
Net unrealized loss on investments	(59,851)	-
Investment fees	(7,450)	-
Net realized gain on sale of investments	<u>395,818</u>	<u>-</u>
	<u>\$ 362,165</u>	<u>\$ 774</u>

3 Liquidity

The Organization receives contributions with donor restrictions to be used in accordance with the associated purpose restrictions. In addition, the Organization receives support without donor restrictions; such support has historically represented some of the annual program funding needs.

The Organization manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations with donor restrictions that support mission fulfillment will continue to be met, ensuring the sustainability of the Organization.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

3 Liquidity, Continued

The table below presents financial assets available for general expenditures within one year.

	2024	2023
Financial Assets at Year-End:		
Cash and cash equivalents	\$ 2,205,594	\$ 353,323
Investments	2,637,366	-
Accounts receivable	404,905	226,041
Pledge receivable	-	25,000
Grant and contribution receivables	667,750	543,291
Assets held in trust by others	115,938	100,395
Net Working Capital	6,031,553	1,248,050
Less: Amount with donor restriction	(3,459,523)	(817,187)
Financial Assets Available to Meet General Expenditures Within One Year	\$ 2,572,030	\$ 430,863

4 Line-of-Credit

The School has a bank revolving line-of-credit totaling \$800,000, including letters of credit of \$170,042, which is due on demand. Each borrowing on the line-of-credit bears interest at prime (8.50% at June 30, 2024). The line of credit is secured by the School’s right to receive earnings on the Trust’s investments described in Note 2. There was no outstanding balance at June 30, 2024.

5 Long-term Debt

In August 2020, the School received a \$150,000 loan under the Small Business Administration’s COVID-19 Economic Injury Disaster Loans (“EIDL”) program. In 2021, the School received additional proceeds of \$93,400 under the EIDL program. The interest rate on the loan is 2.75%. No payments are required for the first twenty-four months of the loan; however, the loan will accrue interest during this time period. Beginning in February 2023, the loan requires monthly payments of \$1,080. The payments are applied first to accrued interest and any funds remaining will be applied to principal. The loan matures in August 2050. The loan is secured by the assets of the School. The total amount outstanding on the loan was \$243,400 as of June 30, 2024. Maturities of long-term debt are as follows:

	Total	
2025	\$ 6,284	
2026	6,459	
2027	6,639	
2028	6,824	
2029	7,014	
Thereafter	210,180	
	\$ 243,400	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

6 Leases

The Organization has various leases for building space under a long-term operating leases which expire through in August 2030. The Organization also leases copiers which expire through April 2026. Rent expense was \$268,935 (2024) and \$264,113 (2023). Cash paid on leases were approximately \$480,000 (2024) and \$275,000 (2023).

The Organization recognizes leases in accordance with ASC 842, “Leases (Topic 842)”. The lease standard increases transparency and comparability among organizations by requiring the recognition of lease assets and lease liabilities on the consolidated statement of financial position. Under the standard, disclosures are required to meet the objective of enabling users of the consolidated statement of financial position to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization has elected the package of practical expedients permitted in ASC 842, as well as the use of a risk-free discount rate for its leases. Accordingly, the Organization accounted for its existing operating leases as operating leases under the new guidance, without reassessing (a) whether the contract contains a lease under ASC 842, (b) whether the classification of the operating lease would be different in accordance with ASC 842, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs under ASC 842 at lease commencement.

	2024	2023
Right-of-Use Assets - Net		
Finance lease	\$ -	\$ 6,173
Operating lease	1,774,279	1,347,994
Total Right-of-Use Assets	\$ 1,774,279	\$ 1,354,167
Lease Liabilities:		
Finance lease liability - current	\$ -	\$ 6,945
Operating lease liability - current	415,145	165,426
Lease liability - long-term	1,424,575	1,238,652
Total Lease Liabilities	\$ 1,839,720	\$ 1,411,023

The weighted-average remaining lease term related to the Organization’s finance lease liability as of June 30, 2024 and 2023 was 0 years and less than 1 year, respectively. The weighted-average remaining lease term related to the Organization’s operating lease liability as of June 30, 2024 and 2023 was 5.19 years and 7.17 years, respectively.

The weighted-average discount rate related to the Organization’s finance lease liability as of June 30, 2024 and 2023 was 0%. The weighted-average discount rate related to the Organization’s operating lease liability as of June 30, 2024 and 2023 was 3.41% and 2.99%.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

6 Leases, Continued

Minimum lease payments due under lease obligations are due as follows:

	Total
2025	\$ 415,145
2026	419,985
2027	416,598
2028	245,521
2029	233,991
Thereafter	269,720
Total Undiscounted Liabilities	2,000,960
Less: Present Value Discount	(161,240)
Total Lease Liabilities	\$ 1,839,720

7 Donor-Restricted Net Assets

Net assets with donor restrictions at June 30 consist of the following:

	2024	2023
Donor Restricted by Purpose:		
Adult programs	\$ 305,250	\$ 333,089
Youth programs	72,691	-
Advocacy	45,000	202,694
Scholarships	159,216	-
Other	-	22,250
Total Donor Restricted by Purpose	582,157	558,033
Passage of Time	240,000	259,154
Perpetuity (Note 8)	2,637,366	-
Total	\$ 3,459,523	\$ 817,187

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

7 Donor-Restricted Net Assets, Continued

Net assets released from net assets with donor restrictions are as follows:

	2024	2023
Donor Restricted by Purpose:		
Adult programs	\$ 390,839	\$ 293,000
Youth programs	217,309	16,933
Advocacy	496,194	198,266
Professional development	-	2,000
Scholarships	62,011	-
Other	22,250	27,750
Total Donor Restricted by Purpose	1,188,603	537,949
Passage of Time	494,154	567,500
Perpetuity (Note 8)	479,940	-
Total	\$ 2,162,697	\$ 1,105,449

8 Endowment

Interpretation of Relevant Law:

The Trust's Committee has interpreted the state of Ohio's rules governing the use of endowment funds as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies the original value of gifts donated to the permanent endowment as permanently restricted net assets.

Any cumulative investment returns on those funds are classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Trust in a manner consistent with the standard of prudence prescribed by the state of Ohio's Uniform Prudent Management Institutional Funds Act ("UPMIFA") rules.

Accordingly, the Trust considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1 The duration and preservation of the fund.
- 2 The purpose of the Trust and the endowment fund.
- 3 General economic conditions.
- 4 The possible effect of inflation and deflation.
- 5 The expected total return from income and the appreciation of investments.
- 6 Other resources of the Trust.
- 7 The investment policies of the Trust.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

8 Endowment, Continued

Endowment Spending and Investment Policy:

The Trust Committee adopted a spending policy where the annual amount included in the budget for withdrawal, including interest and dividend income and capital gains, must fall within UPMIFA guidelines and not to exceed 5% of the prior year’s average monthly endowment balance. Additional withdrawals are permitted with specific committee approval.

Endowment net assets composition as of June 30, 2024:

	<u>With Restrictions</u>
Donor restricted	<u>\$ 2,637,366</u>

Endowment activity consisted of the following:

	<u>With Restrictions</u>
Endowment Net Assets - Beginning	\$ -
Transaction (Note 10)	2,768,785
Investment Return:	
Interest and dividends	20,004
Realized and unrealized gains	335,967
Investment fees	<u>(7,450)</u>
Total Investment Return	348,521
Distributions to Operating:	
Spending rule	<u>(479,940)</u>
Endowment Net Assets - Ending	<u>\$ 2,637,366</u>

9 Retirement Plan

New Bridge has a defined contribution 401(k) savings plan available to substantially all of its employees. Contributions to this plan are discretionary and are generally determined based on a percentage of the covered employees’ contributions. Contributions to this plan amounted to \$17,301 (2024) and \$15,351 (2023).

The School has a defined contribution plan under Section 403(b) of the Internal Revenue Code. Under the Plan, employees may elect to defer a portion of their salary, subject to plan provisions and Internal Revenue Code limits. In addition, the School contributes a discretionary percentage of eligible employees’ wages to this plan. During 2024, the School made contributions of 5% for eligible employees. Total expense for 2024 was \$9,310.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

10 Transaction

As noted in Note 1, on January 10, 2024, New Bridge became the sole member of Central School of Practical Nursing, Inc. The Central School of Practical Nursing Trust was established for the sole benefit of Central School of Practical Nursing, Inc. and, therefore, should be included in the consolidated financial statements at the time of the transaction.

The assets and liabilities of the Central School of Practical Nursing and Central School of Practical Nursing Trust as of the date of transaction were as follows:

	School	Trust	Total
Cash and cash equivalents	\$ 246,095	\$ -	\$ 246,095
Investments	-	2,768,785	2,768,785
Accounts receivable	62,415	-	62,415
Other receivable - Employee Retention Credit	158,287	-	158,287
Prepaid expenses and deposits	19,959	-	19,959
Property and equipment - net	132,724	-	132,724
Operating lease right-of-use asset	588,774	-	588,774
Accounts payable	(6,528)	-	(6,528)
Accrued expenses	(69,601)	-	(69,601)
Contract liabilities	(171,000)	-	(171,000)
Operating lease liability	(598,876)	-	(598,876)
Long-term debt	(243,400)	-	(243,400)
	<u>\$ 118,849</u>	<u>\$ 2,768,785</u>	<u>2,887,634</u>
Less: Cash and cash equivalents acquired			<u>(246,095)</u>
Assets acquired by acquisition - non cash			<u>\$ 2,641,539</u>

11 Litigation

In the ordinary course of business, the Organization is involved in litigation and other potential legal claims. The Organization carries insurance for certain matters. In management's opinion the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of the Organization.

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

June 30, 2024

	New Bridge	School	Trust	Eliminations	Consolidated Total
ASSETS					
Cash and cash equivalents	\$ 2,171,655	\$ 33,939	\$ -	\$ -	\$ 2,205,594
Investments	-	-	2,637,366	-	2,637,366
Accounts receivable	268,410	136,495	-	-	404,905
Grant and contribution receivables	517,750	150,000	-	-	667,750
Prepaid expenses	-	261	-	-	261
Property and equipment - net	1,031,117	127,822	-	-	1,158,939
Assets held in trust by others	115,938	-	-	-	115,938
Other receivable - Employer Retention Credit	-	158,287	-	-	158,287
Deposits	23,053	15,035	-	-	38,088
Operating lease right-of-use asset	1,213,729	560,550	-	-	1,774,279
Total Assets	\$ 5,341,652	\$ 1,182,389	\$ 2,637,366	\$ -	\$ 9,161,407
LIABILITIES					
Accounts payable	\$ 122,910	\$ 16,980	\$ -	\$ -	\$ 139,890
Accrued expenses	115,606	47,920	-	-	163,526
Contract liabilities	-	14,020	-	-	14,020
Operating lease liability	1,275,235	564,485	-	-	1,839,720
Long-term debt	-	243,400	-	-	243,400
Total Liabilities	1,513,751	886,805	-	-	2,400,556
NET ASSETS					
Without Donor Restrictions	3,164,960	136,368	-	-	3,301,328
With Donor Restrictions:					
Purpose or time restricted	662,941	159,216	-	-	822,157
Restricted in perpetuity	-	-	2,637,366	-	2,637,366
Total Net Assets With Donor Restrictions	662,941	159,216	2,637,366	-	3,459,523
Total Net Assets	3,827,901	295,584	2,637,366	-	6,760,851
Total Liabilities and Net Assets	\$ 5,341,652	\$ 1,182,389	\$ 2,637,366	\$ -	\$ 9,161,407

See accompanying notes.

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

Year Ended June 30, 2024

	New Bridge		
	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Grants	\$ 1,068,188	\$ -	\$ 1,068,188
Contributions	3,315,310	1,466,500	4,781,810
Contributions - related party	-	-	-
Program fees	191,200	-	191,200
Student loans	-	-	-
Pell grants	-	-	-
Investment income	12,876	-	12,876
Change in assets held by others	14,862	-	14,862
Other income	-	-	-
Total Support and Revenue	4,602,436	1,466,500	6,068,936
Net Assets Released from Restrictions:			
Satisfaction of program restrictions	1,620,746	(1,620,746)	-
	6,223,182	(154,246)	6,068,936
EXPENSES			
Program Services:			
Adult program	1,098,938	-	1,098,938
Youth program	1,205,765	-	1,205,765
CSPN	-	-	-
Advocacy	471,042	-	471,042
Trust	-	-	-
Total Program Services	2,775,745	-	2,775,745
General and administrative	446,534	-	446,534
Fundraising and development	273,864	-	273,864
Total Expenses	3,496,143	-	3,496,143
Change in Net Assets	\$ 2,727,039	\$ (154,246)	\$ 2,572,793

See accompanying notes.

School			Trust			Eliminations	Consolidated Total
Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,068,188
193,125	150,000	343,125	-	-	-	-	5,124,935
479,940	-	479,940	-	-	-	(479,940)	-
85,477	-	85,477	-	-	-	-	276,677
69,867	-	69,867	-	-	-	-	69,867
48,605	-	48,605	-	-	-	-	48,605
768	-	768	-	348,521	348,521	-	362,165
-	-	-	-	-	-	-	14,862
8,016	-	8,016	-	-	-	-	8,016
885,798	150,000	1,035,798	-	348,521	348,521	(479,940)	6,973,315
62,011	(62,011)	-	479,940	(479,940)	-	-	-
947,809	87,989	1,035,798	479,940	(131,419)	348,521	(479,940)	6,973,315
-	-	-	-	-	-	-	1,098,938
-	-	-	-	-	-	-	1,205,765
629,780	-	629,780	-	-	-	-	629,780
-	-	-	-	-	-	-	471,042
-	-	-	479,940	-	479,940	(479,940)	-
629,780	-	629,780	479,940	-	479,940	(479,940)	3,405,525
229,283	-	229,283	-	-	-	-	675,817
-	-	-	-	-	-	-	273,864
859,063	-	859,063	479,940	-	479,940	(479,940)	4,355,206
<u>\$ 88,746</u>	<u>\$ 87,989</u>	<u>\$ 176,735</u>	<u>\$ -</u>	<u>\$ (131,419)</u>	<u>\$ (131,419)</u>	<u>\$ -</u>	<u>\$ 2,618,109</u>

FINANCIAL RESPONSIBILITY SUPPLEMENTAL SCHEDULE

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

June 30, 2024

PRIMARY RESERVE RATIO

		Expendable Net Assets	
Consolidated Statement of Financial Position			
18	Assets without donor restrictions	Net Assets - Without Donor Restrictions	\$ 3,301,328
19	Assets with donor restrictions	Net Assets - With Donor Restrictions	\$ 3,459,523
6	Property, plant, and equipment, net	Property and equipment - net (including construction in process)	\$ 1,158,939
10	Operating lease right-of-use asset	Lease right-of-use asset post-implementation	\$ 1,774,279
15	Operating lease liability	Lease liability post-implementation	\$ 1,839,720
Notes to Consolidated Financial Statements			
Pg. 13	Property, plant, and equipment, net	Construction in process	\$ 792,519
		Total Expenses Without Donor Restrictions and Losses Without Donor Restrictions	

Consolidated Statement of Activities and Changes in Net Assets

19	Operating Expenses	Total Expenses	\$ 4,355,206
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EQUITY RATIO

		Modified Net Assets	
Consolidated Statement of Financial Position			
18	Assets without donor restrictions	Net Assets - Without Donor Restrictions	\$ 3,301,328
19	Assets with donor restrictions	Net Assets - With Donor Restrictions	\$ 3,459,523
		Modified Assets	
Consolidated Statement of Financial Position			
11	Total assets	Total Assets	\$ 9,161,407
10	Operating lease right-of-use asset	Lease right-of-use asset post-implementation	\$ 1,774,279

NET INCOME RATIO

Consolidated Statement of Activities and Changes in Net Assets			
20	Change in Net Assets Without Donor Restrictions	Change in Net Assets - Without Donor Restrictions	\$ 2,815,785
11	Total Revenue Without Donor Restriction and Gains Without Donor Restrictions	Total Support and Revenues - Without Donor Restrictions	\$ 7,170,991

See auditor's report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION SUPPLEMENTAL SCHEDULE

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

Line		<u>June 30</u> <u>2024</u>
	ASSETS	
1	Cash and cash equivalents	\$ 2,205,594
2	Investments	2,637,366
3	Accounts receivable	404,905
4	Grant and contribution receivables	667,750
5	Prepaid expenses	261
6	Property and equipment - net	1,158,939
7	Assets held in trust by others	115,938
8	Other receivable - Employer Retention Credit	158,287
9	Deposits	38,088
10	Operating lease right-of-use asset	<u>1,774,279</u>
11	Total Assets	<u>\$ 9,161,407</u>
	LIABILITIES	
12	Accounts payable	\$ 139,890
13	Accrued expenses	163,526
14	Contract liabilities	14,020
15	Operating lease liability	1,839,720
16	Long-term debt	<u>243,400</u>
17	Total Liabilities	2,400,556
	NET ASSETS	
18	Without Donor Restrictions	3,301,328
19	With Donor Restrictions	<u>3,459,523</u>
20	Total Net Assets	<u>6,760,851</u>
21	Total Liabilities and Net Assets	<u>\$ 9,161,407</u>

See auditor's report.

CONSOLIDATED STATEMENT
OF ACTIVITIES AND CHANGES IN NET ASSETS SUPPLEMENTAL SCHEDULE

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

Year Ended June 30

Line		2024		
		Without Donor Restrictions	With Donor Restrictions	Total
	SUPPORT AND REVENUE			
1	Grants	\$ 1,068,188	\$ -	\$ 1,068,188
2	Contributions and other grants	3,508,435	1,616,500	5,124,935
3	Program fees	276,677	-	276,677
4	Student Loans	69,867	-	69,867
5	Pell Grants	48,605	-	48,605
6	Investment income	13,644	348,521	362,165
7	Change in assets held by others	14,862	-	14,862
8	Other income	8,016	-	8,016
9	Total Support and Revenue	5,008,294	1,965,021	6,973,315
	Net Assets Released from Restrictions:			
10	Satisfaction of program restrictions	2,162,697	(2,162,697)	-
11		7,170,991	(197,676)	6,973,315
	EXPENSES			
	Program Services:			
12	Adult program	1,098,938	-	1,098,938
13	Youth program	1,205,765	-	1,205,765
14	CSPN	629,780	-	629,780
15	Advocacy	471,042	-	471,042
16	Total Program Services	3,405,525	-	3,405,525
17	General and administrative	675,817	-	675,817
18	Fundraising and development	273,864	-	273,864
19	Total Expenses	4,355,206	-	4,355,206
20	Change in Net Assets	2,815,785	(197,676)	2,618,109
21	Beginning Net Assets	437,921	817,187	1,255,108
22	Transaction - Note 10	47,622	2,840,012	2,887,634
23	Ending Net Assets	\$ 3,301,328	\$ 3,459,523	\$ 6,760,851

See auditor's report.



MEADEN & MOORE

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Independent Auditor's Report

Board of Directors
New Bridge Cleveland
Cleveland, Ohio

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 consolidated financial statements of New Bridge Cleveland (“Organization”), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements and have issued our report dated thereon.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered New Bridge Cleveland’s internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of New Bridge Cleveland’s internal control. Accordingly, we do not express an opinion on the effectiveness of New Bridge Cleveland’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 Organization’s consolidated 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2024-001, and 2023-001 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether New Bridge Cleveland's consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2024-001 and 2023-001.

Organization's Response to Findings

The Organization's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Organization's response was not subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Meaden & Moore Ltd." in a cursive script.

Meaden & Moore, Ltd.
Akron, Ohio

December 30, 2024

SCHEDULE OF FINDINGS AND RESPONSES

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

Consolidated Financial Statement Finding:

Finding Number:
2024-001

Criteria:

It is the responsibility of New Bridge Cleveland (“Organization”) management to ensure the consolidated financial statements are in accordance with generally accepted accounting principles in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Our audit identified a significant deficiency.

Condition:

During our testing of revenue, we identified one grant awarded to the School during 2024 that was not properly recorded as revenue at year-end. This resulted in an audit adjustment to increase revenue by approximately \$150,000.

Cause:

The audit adjustment identified was an oversight by management when the preliminary trial balance was sent for the audit.

Effect:

As noted above, an audit adjustment was recorded as of June 30, 2024.

Recommendation:

During the year-end close process, we recommend performing a subsequent review of cash receipts from funders received after year-end and matching these to the award letter to verify grants are recorded in the proper period.

Management's Response:

Management has corrected in the consolidated financial statements as of June 30, 2024 and has implemented controls to ensure transactions are captured in the proper period and classified properly in the statement.

SCHEDULE OF FINDINGS AND RESPONSES

New Bridge Cleveland,
Central School of Practical Nursing, Inc. and Central School of Practical Nursing Trust

Financial Statement Finding:

Finding Number:
2023-001

Criteria:

It is the responsibility of New Bridge Cleveland (“Organization”) management to ensure the financial statements are in accordance with generally accepted accounting principles in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States. Our audit identified a significant deficiency.

Condition:

The accounting assistance we provided to the Organization is as follows: the proper classification of items in the general ledger and proposing adjustments to various accounts at year-end. Specific items noted during our audit included:

- During our testing of accounts payable, we noted two legal invoices that were received in July 2023 that related to services performed during 2023. These invoices were not accrued for at year-end and resulted in audit adjustments to recognize additional expense for approximately \$17,000.
- During our testing of fixed assets, we noted expenses for website costs that should have been capitalized. This resulted in an audit adjustment to decrease expenses by \$47,000.
- During our testing of cash, we noted a difference in the bank reconciliation due to an outstanding check in the amount of \$31,000. The bank reconciliation was updated to correct this difference.
- During our testing over accrued expenses, we noted differences between the payroll accrual balance to the supporting documentation. We also noted negative balances in the accrued benefits accounts. This resulted in an audit adjustment of approximately \$15,000.

Cause:

The audit adjustments identified were oversights by management when the preliminary trial balance were sent for the audit.

Effect:

As noted above, audit adjustments were recorded as of June 30, 2023.

Recommendation:

We recommend including a review process after completing the year-end which would include a review of estimates, comparison of ledger balances to the underlying support, and review of the underlying support for validity.

Management's Response:

Management has corrected in the financial statements as of June 30, 2023 and has implemented controls to ensure transactions are captured in the proper period and classified properly in the statement.