

FORSYTH COUNTY SHERIFF'S EXPLORERS, INC.

**HEROES OF FORSYTH COUNTY SHERIFF**

Financial Statements

**For the Year Ended April 30, 2024**

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
of FORSYTH COUNTY SHERIFF'S EXPLORERS, INC.

Management is responsible for the accompanying financial statements of FORSYTH COUNTY SHERIFF'S EXPLORERS, INC., dba (HEROES OF FORSYTH COUNTY SHERIFF), a nonprofit organization, which comprise the statement of financial position as of April 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

*CB Smith & Associates, PC*

CB Smith & Associates, P.C.

Alpharetta, GA

March 7, 2025

**FORSYTH COUNTY SHERIFF'S EXPLORERS, INC**  
**dba HEROES OF FORSYTH COUNTY SHERIFF**  
**STATEMENT OF FINANCIAL POSITION**  
As of April 30, 2024

	<u>April 30, 2024</u>
<b>Assets</b>	
<b>Current Assets:</b>	
Cash & equivalents	\$ 1,217,476
Prepaid insurance	500
Receivable - IRS	<u>13,616</u>
Total current assets	<u>1,231,592</u>
<b>Total assets</b>	<u><u>\$ 1,231,592</u></u>
<b>Liabilities and Net Assets</b>	
<b>Net Assets:</b>	
Net assets without restriction	\$ <u>1,231,592</u>
Total net assets	<u>1,231,592</u>
<b>Total liabilities and net assets</b>	<u><u>\$ 1,231,592</u></u>

See independent accountant's compilation report and notes to financial statements

**FORSYTH COUNTY SHERIFF'S EXPLORERS, INC**  
**dba HEROES OF FORSYTH COUNTY SHERIFF**  
STATEMENT OF ACTIVITIES  
For the Year Ended April 30, 2024

	<u>For the Year Ended</u> <u>April 30, 2024</u>
<b>Support and Other Revenue</b>	
Donations	\$ 121,340
Total Support	<u>121,340</u>
<b>Other Revenue</b>	
Interest income	<u>45,530</u>
Total other revenue	<u>45,530</u>
<b>Total Support and Other Revenue</b>	<u>166,870</u>
<b>Expenses</b>	
<b>Program Services</b>	
Grants and Explorer Program	<u>92,704</u>
Total Program Services	<u>92,704</u>
<b>Operating Expenses</b>	
Advertising & marketing	1,955
Bank service charges	963
Business license	30
Dues & subscriptions	390
Insurance, business	156
Insurance, liability	682
Legal & accounting	2,750
Office Expenses	<u>154</u>
Total operating expenses	<u>7,080</u>
<b>Total expenses</b>	<u>99,784</u>
 Increase in net assets	 67,086
 Net Assets, May 1, 2023	 1,164,506
 <b>Net Assets April 30, 2024</b>	 <b>\$ <u><u>1,231,592</u></u></b>

See independent accountant's compilation report and notes to financial statements

**FORSYTH COUNTY SHERIFF'S EXPLORERS, INC**  
**dba HEROES OF FORSYTH COUNTY SHERIFF**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended April 30, 2024

	Program Services	Management and General	Fundraising	Total
<b>Functional Expenses</b>				
Grants and Explorer Program	\$ 92,704	\$ -	\$ -	\$ 92,704
Advertising & marketing	-	-	1,955	1,955
Bank service charges	-	963	-	963
Busines license	-	30	-	30
Dues & subscriptions	-	390	-	390
Insurance, business	-	156	-	156
Insurance, liability	-	682	-	682
Legal & accounting	-	2,750	-	2,750
Office Expenses	-	154	-	154
<b>Total Functional Expenses</b>	<b>\$ 92,704</b>	<b>\$ 5,125</b>	<b>\$ 1,955</b>	<b>\$ 99,784</b>

See independent accountant's compilation report and notes to financial statements

**FORSYTH COUNTY SHERIFF'S EXPLORERS, INC**  
**dba HEROES OF FORSYTH COUNTY SHERIFF**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended April 30, 2024**

For the Year Ended  
April 30, 2024

**Cash flow from operating activities**

Change in Net Assets	\$ 67,086
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Changes in assets	
Prepaid Insurance	(500)
Receivable - IRS	(13,616)
Net cash provided by Operating Activities	<u>52,970</u>
 <b>Net increase in cash and cash equivalents</b>	 <u>52,970</u>
 <b>Beginning cash and cash equivalents</b>	 <u>1,164,506</u>
 <b>Ending cash and cash equivalents</b>	 <u><u>\$ 1,217,476</u></u>

See independent accountant's compilation report and notes to financial statements

**FORSYTH COUNTY SHERIFF'S EXPLORERS, INC**  
**dba HEROES OF FORSYTH COUNTY SHERIFF**  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended April 30, 2024

**NOTE 1 – DESCRIPTION OF ACTIVITIES AND BASIS OF PRESENTATION**

Description of Activities

FORSYTH COUNTY SHERIFF'S EXPLORERS, INC. (hereafter referred to as "the Organization") is publicly known as the HEROES OF FORSYTH COUNTY SHERIFF. It supports the Forsyth County Sheriff's Office by managing and directing contributions that qualify under IRS regulations for qualified charitable foundations (IRC § 170), and under the Law Enforcement Strategic Support Crime Act (OCGA § 48-7-29.25), a law enacted in Georgia in 2022. Following the enactment of this law, the Forsyth County Sheriff designated the Organization as the official channel for citizens and businesses to make tax-advantaged donations that bolster initiatives outlined in the Act.

The Organization aims to fund and enhance training and educational programs for deputies, ensuring they are well-equipped and motivated to serve the community effectively. It supports safety measures in schools, such as safety drills and educational workshops. Additionally, the law permits the Organization to provide bonuses to law enforcement officers as a financial incentive and recognition of their service.

The allocated funds are also used to acquire essential equipment to improve the efficiency and safety of law enforcement operations, including protective gear, communication tools, and advanced technology like body cameras and other surveillance devices. Furthermore, the Organization contributes to community policing efforts that aim to strengthen the relationship between law enforcement and the communities they serve.

Basis of Presentation

The Organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"), which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred.

Net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions - represents net assets that are not restricted by donor-imposed stipulations and are available for support of operations and other expenditures.

(Continued)

See independent accountant's compilation report

**FORSYTH COUNTY SHERIFF'S EXPLORERS, INC**  
**dba HEROES OF FORSYTH COUNTY SHERIFF**  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended April 30, 2024

**NOTE 1 – DESCRIPTION OF ACTIVITIES AND BASIS OF PRESENTATION (Continued)**

Net assets with donor restrictions - represents net assets whose use by the Organization subject to stipulations imposed by donor. Some donor restrictions are temporary in nature; that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. Other donor restrictions are perpetual in nature that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, the Organization considers bank accounts without donor restrictions to be cash equivalents.

Estimates

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

Contributions and Accounts Receivable

The Organization recognizes revenues in accordance with Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides a framework for evaluating whether the transfer of assets constitutes a contribution or an exchange transaction. The ASU also provides additional clarification as to whether or not a contribution is conditional. Contributions are recognized when the donor makes a promise to give to the organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction. The Organization uses the allowance method to determine uncollectable unconditional promises to give. The allowance is based on management's analysis of specific promises made.

Functional Allocation of Expenses

The cost of providing the programs and other activities have been summarized on a functional basis in the Statements of Activities and the Statements of Functional Expense. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates of effort, volunteer time, insurance, and miscellaneous expenses.

(Continued)

See independent accountant's compilation report

**FORSYTH COUNTY SHERIFF'S EXPLORERS, INC**  
**dba HEROES OF FORSYTH COUNTY SHERIFF**  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended April 30, 2024

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Income Tax Status

The Organization is a not-for-profit corporation exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. The Organization only recognizes the tax benefit from an uncertain tax position taken or expected to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position.

Management has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where the Organization operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse effect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at April 30, 2024. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Organization believes it is no longer subject to income tax examinations for years prior to April 30, 2021.

**NOTE 3 – CONCENTRATIONS OF RISK**

The Organization maintains cash and investments with major financial institutions. The Organization performs periodic evaluations of the relative credit standing of these financial institutions and limits the amount of credit exposure with any financial institution. The Federal Deposit Insurance Corporation ("FDIC") insures balances up to \$250,000 per financial institution. At April 30, 2024, cash on deposit with various banks does not exceed the FDIC insured amounts.

**NOTE 4 – CONTRIBUTED SERVICES**

During the year ended April 30, 2024, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, any individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The Organization estimates that it received approximately more than 570 volunteer hours during the fiscal year ended April 30, 2024, including the Board of Directors meetings, various committees, and office assistance.

**NOTE 5 – ADVERTISING AND PUBLICATIONS**

The Organization uses advertising to promote its fundraising activities, and other information about the Organization to the public. The production costs of advertising are expended as incurred. During the year ended April 30, 2024, advertising and related costs totaled \$1,955.

(Continued)

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**FORSYTH COUNTY SHERIFF'S EXPLORERS, INC**  
**dba HEROES OF FORSYTH COUNTY SHERIFF**  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended April 30, 2024

**NOTE 6 – SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through March 7, 2024, which is the date the financial statements were available to be issued. Management has determined that none of the events or transactions occurring after the statement of position date substantially affects the amounts, presentation, and disclosure of the accompany financial statements.

See independent accountant's compilation report