

COURT APPOINTED SPECIAL ADVOCATES OF MISSOULA, INC.

FINANCIAL REPORT

For the Years Ended
June 30, 2026 and 2025

COURT APPOINTED SPECIAL ADVOCATES OF MISSOULA, INC.

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CARVER
FLOREK &
JAMES, CPA's
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Court Appointed Special Advocates of Missoula, Inc.

Opinion

We have audited the financial statements of Court Appointed Special Advocates of Missoula, Inc. (CASA), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CASA as of June 30, 2026 and 2025, 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). 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 CASA 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 CASA's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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 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 financial statements.

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 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 CASA'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 CASA'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.

Carver Florek & James, CPAs

Carver Florek & James, CPAs
Missoula, Montana

September 16, 2026

COURT APPOINTED SPECIAL ADVOCATES
OF MISSOULA, INC.
STATEMENTS OF FINANCIAL POSITION
As of June 30, 2026 and 2025

	2026	2025
ASSETS		
Cash and cash equivalents	$ 276,205	$ 218,714
Accounts receivable	32,454	61,667
Prepaid expenses	2,417	2,312
Investments	359,926	300,011
Pledges receivable	-	85,000
Right-of-use asset	18,745	35,766
TOTAL ASSETS	$ 689,747	$ 703,470
LIABILITIES		
Accounts payable	$ 1,701	$ 707
Accrued payroll and payroll taxes	20,670	16,669
Compensated absences	18,600	19,962
Lease liability	18,745	35,766
TOTAL LIABILITIES	59,716	73,104
NET ASSETS		
Without donor restrictions	622,531	525,366
With donor restrictions	7,500	105,000
TOTAL NET ASSETS	630,031	630,366
TOTAL LIABILITIES AND NET ASSETS	$ 689,747	$ 703,470

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

COURT APPOINTED SPECIAL ADVOCATES
OF MISSOULA, INC.
STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2026 and 2025

	2026	2025
NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUE AND SUPPORT		
Grants	$ 157,400	$ 168,550
Contract Services	62,090	49,559
Special Events	201,989	185,279
Contributions	63,655	64,429
Interest Income	5,476	4,799
Investment Income (Loss)	34,915	25,486
Net assets released from restrictions	105,000	55,000
TOTAL REVENUE AND SUPPORT	630,525	553,102
EXPENSES		
Program services	417,866	426,271
Fundraising	81,831	84,928
Administrative	33,663	34,428
TOTAL EXPENSES	533,360	545,627
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	97,165	7,475
NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	7,500	100,000
Net assets released from restrictions	(105,000)	(55,000)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	(97,500)	45,000
CHANGE IN TOTAL NET ASSETS	(335)	52,475
NET ASSETS		
Beginning of year	630,366	577,891
End of year	$ 630,031	$ 630,366

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

COURT APPOINTED SPECIAL ADVOCATES
OF MISSOULA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2026

DESCRIPTION	Program Services	Fundraising	Administrative	Total
Salaries and related expense	$ 340,811	$ 36,515	$ 28,402	$ 405,728
Office expense	45,130	4,835	3,761	53,726
Special fundraising events	-	33,996	-	33,996
Miscellaneous	6,600	707	550	7,857
Training	5,412	-	-	5,412
Travel and meals	695	74	58	827
Professional fees	9,264	993	772	11,029
Printing/reproduction	1,194	128	99	1,421
Website/internet	3,636	-	-	3,636
Merchant fees	-	4,556	-	4,556
Supplies	250	27	21	298
Volunteer expenses	4,874	-	-	4,874
TOTAL EXPENSES	$ 417,866	$ 81,831	$ 33,663	$ 533,360

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

COURT APPOINTED SPECIAL ADVOCATES
OF MISSOULA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025

DESCRIPTION	Program Services	Fundraising	Administrative	Total
Salaries and related expense	$ 344,135	$ 41,462	$ 29,024	$ 414,621
Office expense	44,397	5,349	3,744	53,490
Special fundraising events	-	30,442	-	30,442
Miscellaneous	8,756	1,055	738	10,549
Training	5,846	-	-	5,846
Travel and meals	425	51	36	512
Professional fees	10,231	1,233	863	12,327
Printing/reproduction	30	4	2	36
Website/internet	3,742	-	-	3,742
Merchant fees	-	5,302	-	5,302
Supplies	251	30	21	302
Volunteer expenses	8,458	-	-	8,458
TOTAL EXPENSES	$ 426,271	$ 84,928	$ 34,428	$ 545,627

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

COURT APPOINTED SPECIAL ADVOCATES
OF MISSOULA, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2026 and 2025

	2026	2025
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (335)	$ 52,475
Adjustments to reconcile change in net assets to Net Cash Flows from Operating Activities		
Items not affecting cash:		
Unrealized (gain)/loss on investments	(16,854)	(15,158)
Realized (gain)/loss on investments	868	-
Reinvested dividends and interest, net of investment expenses	(18,929)	(10,328)
Changes in operating assets and liabilities		
Change in:		
Accounts receivable	29,213	(43,387)
Prepaid expenses	(105)	(942)
Pledges receivable	85,000	-
Accounts payable	994	(836)
Accrued payroll and payroll taxes	4,001	(4,141)
Compensated absences	(1,362)	4,696
Net Cash Flows from (to) Operating Activities	82,491	(17,621)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of investments	19,871	-
Purchase of investments	(44,871)	-
Net Cash Flows from (to) Investing Activities	(25,000)	-
Net change in cash and cash equivalents	57,491	(17,621)
CASH AND CASH EQUIVALENTS		
Beginning of year	218,714	236,335
End of year	$ 276,205	$ 218,714

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

COURT APPOINTED SPECIAL ADVOCATES
OF MISSOULA, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended June 30, 2026 and 2025

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Court Appointed Special Advocates of Missoula, Inc. (CASA) is a non-profit organization which provides independent, trained advocates for the best interests of children within the judicial system who are at substantial risk or have experienced abuse or neglect. CASA provides consistent, long-term advocacy until every child resides in a safe, permanent home.

Basis of Accounting

CASA's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as codified by the Financial Accounting Standards Board.

Cash and Cash Equivalents

For purposes of the statement of cash flows, CASA considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Certain bank accounts subject to coverage by the Federal Deposit Insurance Corporation (FDIC) may exceed their insured limits during the year. At June 30, 2026, there was approximately $23,500 in excess of FDIC insured limits. At June 30, 2025, no amounts exceed their insured limits.

Accounts Receivable

Accounts receivable represent amounts owing to CASA from the State of Montana, National CASA, and Missoula County Foundation.

CASA considers accounts receivable from contracts and grants to be fully collectible.

Investments

CASA carries its marketable equity and debt securities at fair value. Interest and dividends are reported as increases in net assets without donor restrictions if restrictions are met in the reporting period in which the income and gains are recognized – otherwise they are reported as increases in net assets with donor restrictions on the statements of activities. Unrealized gains and losses are included in the change in net assets.

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable

Pledges receivable represent unconditional promises to give through written agreements to contribute cash or other assets to CASA. These promises to give are reported as contribution revenue and receivables even if the promise is not legally enforceable. 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. When a restriction expires it is reclassified to net assets without donor restrictions.

Unconditional promises to give expected to be collected within one year are measured at their net realizable value. Unconditional promises to give that are expected to be collected in future years are required by GAAP to be reported at the present value of their estimated future cash flows and discounted using a risk free rate of return on the date of the contribution. The discount is then amortized over the term of the promise to give and included in contribution revenue. No amounts have been recorded for present value discounts as the amount is not considered significant to the financial statements.

GAAP requires an allowance for uncollectible pledges be recognized in the year of contribution. CASA uses the direct write-off method to determine uncollectible promises to give by evaluating payments received to scheduled payments, which is a method other than generally accepted. When management determines it is unlikely the pledge will be fulfilled, management writes off the pledge. The difference between these two methods is not considered significant to the financial statements.

Property and Equipment

CASA capitalizes all asset purchases over $2,500. Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of each asset. Lives are five years. As of June 30, 2026 and 2025, all property and equipment are fully depreciated.

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

CASA provides annual leave to eligible employees. Earned vacation leave ranges from 156 hours to 200 hours per year depending on the years of service. Employees may accrue no more than 300 hours of annual leave. Annual leave is paid at the current employee's pay rate upon termination. CASA records a liability for annual leave as it is earned. The accrued liability for annual leave was $18,600 as of June 30, 2026 and $19,962 as of June 30, 2025.

Net Asset Classification

Net assets are classified as *without donor restrictions* in the absence of donor-imposed restrictions. This category includes net amounts that have been earned and expended according to donor and contract conditions and generally unrestricted activities.

Net assets classified as *with donor restrictions* have donor-imposed restrictions that have not been met. Such restrictions may be met by the passage of time or use for a specific purpose, or the assets may be expected to be maintained in perpetuity. At June 30, 2026 and 2025 there were $7,500 and $105,000, respectively, in net assets with donor restrictions. All net assets with donor restrictions at June 30, 2026 and 2025 are restricted based on passage of time.

Donor-restricted contributions whose restrictions are met in the same reporting period are reported as without donor restrictions. Donor restrictions that expire by either the passage of time or purpose restriction(s) being accomplished are accounted for as net assets released from restriction and reclassified as net assets without donor restrictions.

Contributed Support

CASA recognizes all unconditional gifts in the period received. CASA reports contributed support as without or with restrictions depending upon the existence of donor stipulations that limit the use of the support. Donor restricted contributions whose restrictions have been fulfilled or otherwise removed in the current year are reported as without donor restrictions. Gifts of assets restricted to acquire long-lived assets are deemed to have the restriction fulfilled when the asset is placed in service or when the costs of the underlying assets are incurred.

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contract, grant, and other revenues are recognized when earned. Contributed service revenue results when donated services create or enhance non-financial assets or when they require specialized skills provided by people possessing those skills that would typically be purchased if not provided by donation. CASA values contributed goods at their estimated fair value at the date of contribution.

Cost Allocation and Program Activities

CASA allocates costs to fundraising, management and general, and to program services on the basis of estimated time identifiable with such services. The primary activity groups and their related purposes are summarized as follows:

Program Services – Consists of funds utilized to provide training and support to trained advocates and costs associated with advocating for the best interest of the children within the judicial system that CASA advocates on behalf of.

Administrative – Consists of funds that are used to administer CASA.

Fundraising – Consists of funds that are used for activities and events that are designed to create public awareness and support for CASA's programs.

Marketing/Outreach

CASA expenses marketing and outreach costs as incurred. Total marketing and outreach costs for the years ended June 30, 2026 and 2025 were $120 and $2,574, respectively.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosures of contingent assets and liabilities, and revenues and expenses. Actual results could differ from those estimates.

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

CASA is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded in these financial statements as CASA believes it had no income unrelated to its exempt purposes in 2026 or 2025. With few exceptions, CASA's informational return (I.R.S. Form 990) is not subject to examination by tax authorities for years prior to 2023.

Concentration of Risks

CASA is appointed to court cases and given a flat fee by the State of Montana, Office of Court Administrator based on the number of children served. Case appointments are made at the discretion of the court. Revenue from the Office of Court Administrator was $52,090 and $49,559 for the years ended June 30, 2026 and 2025, respectively. This represents approximately 10% and 8% of revenue and support for the years ended June 30, 2026 and 2025, respectively. Revenue from the Montana Board of Crime Control was $73,135 and $69,642 for the years ended June 30, 2026 and 2025, respectively. This represents approximately 14% and 12% of revenue and support for the years ended June 30, 2026 and 2025, respectively. The revenue from the Montana Board of Crime Control is from a grant totaling approximately $142,000 ending June 30, 2026, as qualified expenses are incurred. In addition, CASA received funding from special events and contributions of $273,144 and $349,708 for the years ended June 30, 2026 and 2025, respectively. This represents approximately 51% and 58% of revenue and support for the years ended June 30, 2026 and 2025, respectively.

2. INVESTMENTS

A framework for measuring fair value and defining fair value is provided by GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP requires that evaluation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. GAAP also establishes a fair value hierarchy, which prioritizes the valuation of inputs into three broad levels as described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Significant unobservable prices or inputs where there is little or no market activity for the asset or liability at the measurement date.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. CASA's policy for determining the timing of significant transfers between Levels 1 and 2 is at the end of the reporting period.

Marketable equity and debt securities are stated at fair value based on quoted market prices in active markets. CASA's investment accounts hold cash or cash equivalents valued at their carrying amounts, which approximates fair value.

2. INVESTMENTS (CONTINUED)

Amortized cost, cost, fair value, and net unrealized gain or loss of investments at June 30, 2026 is as follows:

	Cost or Amortized Cost	Fair Value	Net Unrealized Gain (Loss)
Cash held in investments	$ 9,100	$ 9,100	$ -
Level 1			
Equity	175,225	225,411	50,186
Bonds	124,973	125,415	442
Total Level 1	300,198	350,826	50,628
Total investments	$ 309,298	$ 359,926	$ 50,628

The following is a summary of investment return and classification on the statement of activities for the year ended June 30, 2026:

Interest, dividends, gains	$ 22,394
Unrealized gains (losses), net	16,854
Realized gains (losses), net	(868)
Fees	(3,465)
Investment income (loss), net	$ 34,915

2. INVESTMENTS (CONTINUED)

Amortized cost, cost, fair value, and net unrealized gain or loss of investments at June 30, 2025 is as follows:

	Cost or Amortized Cost	Fair Value	Net Unrealized Gain (Loss)
Cash held in investments	$ 7,560	$ 7,560	$ -
Level 1			
Equity	150,536	184,009	33,473
Bonds	108,140	108,442	302
Total Level 1	258,676	292,451	33,775
Total investments	$ 266,236	$ 300,011	$ 33,775

The following is a summary of investment return and classification on the statement of activities for the year ended June 30, 2025:

Interest, dividends, gains	$ 13,426
Unrealized gains (losses), net	15,158
Fees	(3,098)
Investment income (loss), net	$ 25,486

A significant portion of CASA's investments are subject to the risk of value fluctuation that is inherent in the market. As such, the value of CASA's assets may change frequently. To help manage this risk, CASA's professional investment managers oversee CASA's portfolio and manage its performance. Investment fees are reported net with investment income on the statements of activities.

3. LEASES

In May 2024 CASA signed a lease agreement for office space in Missoula, Montana commencing July 2024. The lease calls for monthly rental payments of $1,583 plus shared expenses, which includes real estate taxes, property insurance, and common area cleaning and maintenance. Monthly rent increases 4% annually throughout the lease term, which expires June 30, 2027. However, the lessee (CASA) has the option to renew the lease for up to five one-year terms after June 30, 2027. For the years ended June 30, 2026 and 2025 CASA had rent expense of $27,744 and $25,704, respectively.

Future minimum lease payments are as follows:

Fiscal Year		Amount
2027	$	20,544
2028		-
2029		-
2030		-
2031		-
Thereafter		-
	$	20,544

4. LIQUIDITY AND AVAILABILITY OF RESOURCES

CASA occasionally receives contributions with donor restrictions. Because a donor's or grantor's restriction requires resources to be used in a particular manner or in a future period, CASA must maintain sufficient resources to meet these responsibilities. Thus, certain financial assets may not be available for general expenditures within one year.

CASA considers contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include management and general expenses, and fundraising expense to be paid in the subsequent year. Annual operations are defined as activities occurring during CASA's fiscal year.

4. LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

The table below presents financial assets available for general expenditures within one year at June 30, 2026 and 2025:

	2026	2025
Financial assets at year end:		
Cash and cash equivalents	$ 276,205	$ 218,714
Accounts receivable	32,454	61,667
Investments	359,926	300,011
Pledges receivable	-	85,000
Total financial assets	668,585	665,392
Less amounts not available to be used within one year for general expenditures:	(7,500)	(105,000)
Financial assets available to meet general expenditures within one year	$ 661,085	$ 560,392

5. EMPLOYEE BENEFITS

Employees of CASA may participate in a voluntary contribution 401(k) retirement plan to provide retirement benefits, effective January 1, 2021. CASA matches employee contributions to the 401(k) retirement plan up to 3% of the employee's compensation. Employee plan contributions are invested, at the direction of the participant, in one or more of the funding vehicles available under the plan. CASA contributed $12,228 and $12,964 for the years ended June 30, 2026 and 2025, respectively.

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 16, 2026, the date on which the financial statements were available to be issued.

Subsequent to year end, CASA renewed its Victim of Crimes Act (VOCA) grant with the State of Montana Board of Crime Control. The award provides total funding of $164,377 for a two-year project period beginning July 1, 2026 and ending June 30, 2028.