

TASKFORCE FORE ENDING HOMELESSNESS, INC.

Financial Statements

September 30, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Taskforce Fore Ending Homelessness, Inc.
Fort Lauderdale, Florida

We have audited the accompanying financial statements of Taskforce Fore Ending Homelessness, Inc. (a non-profit organization), which comprise the statement of financial position as of September 30, 2020, and the related statement of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Taskforce Fore Ending Homelessness, Inc. as of September 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

ROBBINS AND MORONEY, P.A.
Certified Public Accountants

Robbins and Moroney, P.A.

Fort Lauderdale, Florida
February 11, 2021

TASKFORCE FOR ENDING HOMELESSNESS, INC.

Statement of Financial Position
September 30, 2020

Assets	
Cash and Cash Equivalents	\$ 652,861
Grants and Contracts Receivable	92,292
Prepaid Expenses	17,779
Property and Equipment	9,169
Deposits	<u>1,700</u>
Total Assets	<u>\$ 773,801</u>
Liabilities and Net Assets	
Accounts Payable	\$ 22,712
Accrued Payroll	20,529
Other Payroll Liabilities	<u>11,509</u>
Total Liabilities	<u>54,750</u>
Net Assets	
Without Donor Restrictions	<u>719,051</u>
Total Net Assets	<u>719,051</u>
Total Liabilities and Net Assets	<u>\$ 773,801</u>

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

TASKFORCE FORE ENDING HOMELESSNESS, INC.

Statement of Activities
For the Year Ended September 30, 2020

Net Assets Without Restrictions

Public Support and Revenues

Government Grants and Contracts	\$ 977,524
Private Foundations	112,000
United Way Funding	40,000
Other Support and Contributions	9,997
Interest Income	1,695

Total Public Support and Revenues 1,141,216

Expenses

Program	1,036,400
General and Administrative	77,314
Fundraising	17,131

Total Expenses 1,130,845

Change in Net Assets 10,371

Net Assets, Beginning of Year 708,680

Net Assets, End of Year \$ 719,051

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

TASKFORCE FORE ENDING HOMELESSNESS, INC.

Statement of Cash Flows
For the Year Ended September 30, 2020

Cash Flows from Operating Activities	
Change in Net Assets	\$ 10,371
Adjustments to Reconcile Change in Net Assets to Net Cash from Operating Activities	
Depreciation	5,829
Changes in Assets and Liabilities:	
Decrease in Grants and Contracts Receivable	65,239
Decrease in Prepaid Expenses	8,032
Increase in Accounts Payable	15,860
Decrease in Accrued Payroll	(8,794)
Decrease in Other Payroll Liabilities	(2,473)
	<u>94,064</u>
Net Cash Flows from Operating Activities	
Cash Flows from Investing Activities	
Purchases of Property and Equipment	<u>(3,068)</u>
Net Cash Flows from Investing Activities	<u>(3,068)</u>
Net Change in Cash and Cash Equivalents	90,996
Cash and Cash Equivalents, Beginning of Year	<u>561,865</u>
Cash and Cash Equivalents, End of Year	<u>\$ 652,861</u>

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

TASKFORCE FORE ENDING HOMELESSNESS, INC.

Statement of Functional Expenses
For the Year Ended September 30, 2020

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Benefits	\$ 698,622	\$ 53,740	\$ 15,354	\$ 767,716
Client Services	206,412			206,412
Insurance - Other	45,921	1,934	483	48,338
Rent	16,350	5,450		21,800
Vehicle	18,891			18,891
Client Support	13,948			13,948
Other Expenses	11,404	2,012		13,416
Professional Fees	2,827	9,463		12,290
Office	9,317	1,644		10,961
Depreciation	5,246	583		5,829
Repairs and Maintenance	3,714	1,238		4,952
Utilities and Phone	3,251	1,084		4,335
Fundraising			1,294	1,294
Conferences and Meetings	497	166		663
	<u>\$ 1,036,400</u>	<u>\$ 77,314</u>	<u>\$ 17,131</u>	<u>\$ 1,130,845</u>

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

TASKFORCE FORE ENDING HOMELESSNESS, INC.

Notes to Financial Statements

September 30, 2020

1. ORGANIZATION AND OPERATIONS

Taskforce Fore Ending Homelessness, Inc. (the "Organization"), is a not-for-profit organization in Broward County, Florida. The Organization, through outreach, advocacy and education assists homeless individuals and families in South Florida. Its programs include adult mental health and substance abuse assistance. It also assists the homeless through an outreach team that seeks out homeless individuals and families to provide them with shelter, food, clothing, transportation, case management services, and information on accessing healthcare resources, veteran's benefits, and social security benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

Date of Management's Review: In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through February 11, 2021, the date that these financial statements were available to be issued.

Net Assets: Net assets, public support and revenues are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or the purpose for a restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the Organization considers interest-bearing cash accounts with an original maturity of three months or less to be cash equivalents.

Property and Equipment: Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. The organization capitalizes all property and all equipment that costs in excess of \$450. Lesser amounts are expensed. Donations of property and equipment are recorded as contributions at their estimated fair value at the time the gift is made. Such donations are reported as contributions without restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service.

TASKFORCE FORE ENDING HOMELESSNESS, INC.

Notes to Financial Statements

September 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contracts Receivable and Revenue Recognition: The Organization's programs are funded by governmental grants and contracts. The amount to be paid by the governmental agency is determined by a formula based on units of service provided by the Organization. A maximum amount to be paid over the course of the grant is often specified. Units-of-service grants are recognized as revenue and receivables as the services are rendered using the agreed-upon rate per unit. The grantor is billed, generally monthly, for the units of service provided during the preceding month. The Organization considers the amount of grants and contracts receivable to be fully collectible and therefore, no allowance for doubtful accounts is deemed necessary.

Contributed Services and Facilities: No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many 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.

Functional Allocation of Expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and detailed in the statement of functional expenses. Certain costs have been allocated among the programs and supporting services benefited.

Income Taxes: The Organization is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization has not incurred any interest or penalties on its income tax returns.

The Organization's tax returns are subject to possible examination by the taxing authorities. For Federal income tax purposes, the tax returns remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

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

Fair Value of Financial Instruments: The carrying amounts of cash equivalents, grants and contracts receivable, prepaid expenses, accounts payable and accrued payroll and other payroll liabilities approximate fair value because of their short-term nature.

New Accounting Pronouncement: In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenues from Contracts with Customers*. This ASU affected the revenue recognition of entities that enter into either (1) certain contracts to transfer goods or services to customers or (2) certain contracts for the transfer of nonfinancial assets. This update indicates that an entity should recognize revenue in an amount that reflects the consideration the entity expects to be entitled to in exchange for the good or services transferred by the entity.

The Organization has analyzed the provisions of ASU 2014-09, and has concluded that no changes to the accompanying financial statements are necessary to conform with the new standard.

TASKFORCE FORE ENDING HOMELESSNESS, INC.

Notes to Financial Statements

September 30, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In June 2018, the FASB issued ASU 2018-08, *Not-For Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU establishes standards for characterizing grants or similar contracts with resource providers as either exchange transactions or conditional contributions. The Organization has analyzed the provisions of ASU 2018-08 and has concluded that no changes to the accompanying financial statements are necessary to conform with the new standard.

3. LIQUIDITY AND RESERVES

The Organization has a policy to manage its liquidity and reserves following three guiding principles: operating within a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The following table reflects the Organization's financial assets as of September 30, 2020, reduced by any amounts not available for general expenditures within one year.

Cash and Cash Equivalents	\$ 652,861
Grants and Contracts Receivable	<u>92,292</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 745,153</u>

4. PROPERTY AND EQUIPMENT

At September 30, 2020, property and equipment consisted of:

Furniture and Equipment	\$ 37,892
Vehicles	114,645
Accumulated Depreciation	<u>(143,368)</u>
	<u>\$ 9,169</u>

5. GOVERNMENT GRANTS AND CONTRACTS

Included in the statement of activities is funding from the following sources:

Broward County Behavioral Health Coalition	\$ 313,044
Broward County Board of County Commissioners	<u>664,480</u>
	<u>\$ 977,524</u>

6. OFFICE LEASE

The Organization is renting its office space on a month to month basis. The monthly rent is currently \$1,800 per month. There is no lease agreement and there are no future minimum lease commitments.

TASKFORCE FOR ENDING HOMELESSNESS, INC.

Notes to Financial Statements

September 30, 2020

7. RETIREMENT PLAN

The Organization has established a qualified 401K retirement plan (the "Plan") covering all employees with at least 3 months of employment and 21 years of age. A total of \$2,658 was paid in expenses for the Plan during the year and a matching contribution of \$1,327 was made to the Plan.

8. CONCENTRATION

In the normal course of activities, the Organization receives grants and contracts from various government agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. Management of the Organization believes that the liability, if any, for any reimbursement which may arise as a result of audits would not be material.

At September 30, 2020, the Organization had approximately \$675,502 in cash, of which \$0 was in excess of federally insured limits.

9. RISKS AND UNCERTAINTIES

During March 2020, the COVID-19 virus has been declared a global pandemic as it continues to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.