

**LEE COUNTY HOMELESS COALITION, INC.**  
**FINANCIAL STATEMENTS TOGETHER WITH**  
**REPORT OF INDEPENDENT AUDITOR**  
**YEARS ENDED**  
**JUNE 30, 2022 AND 2021**

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& Company, PA

**Certified Public Accountants & Consultants**

Affiliations

Florida Institute of Certified Public Accountants  
American Institute of Certified Public Accountants  
Private Companies Practice Section  
Tax Division

**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Lee County Homeless Coalition, Inc.  
1500 Colonial Boulevard, Suite 201  
Fort Myers, Florida 33907

**Opinion**

We have audited the accompanying financial statements of Lee County Homeless Coalition, Inc. (a Florida not-for-profit corporation) ( the "Coalition"), which comprise the statements of financial position as of June 30, 2022 and 2021, 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, based on our audits, the financial statements referred to above present fairly, in all material respects, the financial position of Lee County Homeless Coalition, Inc. as of June 30, 2022 and 2021, 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 audit in accordance with the auditing standards generally accepted in the United States of America. 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 Lee County Homeless Coalition, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibilities 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.

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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 Lee County Homeless Coalition, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditor's 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Lee County Homeless Coalition, Inc.'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 Lee County Homeless Coalition, Inc.'s ability to continue as a going concern for a reasonable period of time.

Board of Directors  
Lee County Homeless Coalition, Inc.  
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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.

*Tuscan & Company, P.A.*

TUSCAN & COMPANY, P.A.  
Fort Myers, Florida  
October 18, 2022

**LEE COUNTY HOMELESS COALITION, INC.  
STATEMENTS OF FINANCIAL POSITION  
June 30, 2022 and 2021**

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<b>ASSETS</b>	<u>2022</u>	<u>2021</u>
<b>CURRENT ASSETS</b>		
Cash (including restricted cash of \$1,410 and \$2,025 at June 30, 2022 and 2021, respectively)	\$ 215,672	\$ 197,011
Contract and grant receivables	10,896	8,928
Prepaid expenses	204	988
Deposits	<u>300</u>	<u>300</u>
TOTAL CURRENT ASSETS	227,072	207,227
<b>PROPERTY AND EQUIPMENT, NET</b>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 227,072</u>	<u>\$ 207,227</u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 18,454	\$ 20,746
Unearned revenue	<u>1,410</u>	<u>1,671</u>
TOTAL CURRENT LIABILITIES	19,864	22,417
<b>COMMITMENTS AND CONTINGENCIES</b>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>19,864</u>	<u>22,417</u>
 <b>NET ASSETS</b>		
Without donor restrictions	207,208	184,456
With donor restrictions	<u>-</u>	<u>354</u>
TOTAL NET ASSETS	<u>207,208</u>	<u>184,810</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 227,072</u>	<u>\$ 207,227</u>

The accompanying notes are an integral part of this statement.

**LEE COUNTY HOMELESS COALITION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**Years Ended June 30, 2022 and 2021**

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>CHANGES IN NET ASSETS</b>			
<b>PUBLIC SUPPORT, REVENUES AND RECLASSIFICATIONS</b>			
Special Events	\$ 31,267	\$ -	\$ 31,267
Less: direct costs	<u>(6,881)</u>	<u>-</u>	<u>(6,881)</u>
Net proceeds from special events	24,386	-	24,386
Lee County Department of Human Services	-	122,050	122,050
Membership dues	8,158	-	8,158
Donations	53,478	-	53,478
Interest and other income	<u>1,224</u>	<u>-</u>	<u>1,224</u>
<b>TOTAL PUBLIC SUPPORT AND REVENUES</b>	<b>87,246</b>	<b>122,050</b>	<b>209,296</b>
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>122,404</u>	<u>(122,404)</u>	<u>-</u>
<b>TOTAL PUBLIC SUPPORT, REVENUES AND RECLASSIFICATIONS</b>	<b><u>209,650</u></b>	<b><u>(354)</u></b>	<b><u>209,296</u></b>
<b>EXPENSES</b>			
Program services	163,601	-	163,601
Administrative	9,225	-	9,225
Fundraising	<u>14,072</u>	<u>-</u>	<u>14,072</u>
<b>TOTAL EXPENSES</b>	<b><u>186,898</u></b>	<b><u>-</u></b>	<b><u>186,898</u></b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>22,752</b>	<b>(354)</b>	<b>22,398</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b><u>184,456</u></b>	<b><u>354</u></b>	<b><u>184,810</u></b>
<b>NET ASSETS, END OF YEAR</b>	<b><u>\$ 207,208</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 207,208</u></b>

The accompanying notes are an integral part of this statement.

2021		
<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
\$ 8,309	\$ -	\$ 8,309
<u>(500)</u>	<u>-</u>	<u>(500)</u>
7,809	-	7,809
-	217,835	217,835
5,847	-	5,847
40,152	-	40,152
<u>1,999</u>	<u>-</u>	<u>1,999</u>
55,807	217,835	273,642
<u>217,835</u>	<u>(217,835)</u>	<u>-</u>
<u>273,642</u>	<u>-</u>	<u>273,642</u>
247,875	-	247,875
8,350	-	8,350
<u>11,304</u>	<u>-</u>	<u>11,304</u>
<u>267,529</u>	<u>-</u>	<u>267,529</u>
6,113	-	6,113
<u>178,343</u>	<u>354</u>	<u>178,697</u>
<u>\$ 184,456</u>	<u>\$ 354</u>	<u>\$ 184,810</u>

The accompanying notes are an integral part of this statement.



**LEE COUNTY HOMELESS COALITION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2022**

FUNCTIONAL EXPENSES	SUPPORTING SERVICES				2022
	Program Services	Admin.	Fund Raising	Total Supporting Services	Total Expenses
Compensation and related expenses					
Salaries	\$ 79,804	\$ 4,694	\$ 9,389	\$ 14,083	\$ 93,887
Fringe benefits	-	-	-	-	-
Payroll taxes	6,277	369	739	1,108	7,385
	86,081	5,063	10,128	15,191	101,272
Depreciation	-	-	-	-	-
Equipment & software	-	-	-	-	-
Events non-fundraising	417	-	972	972	1,389
Miscellaneous	3,909	-	-	-	3,909
Office, including telephone/internet	1,183	74	222	296	1,479
Outreach	-	-	-	-	-
Printing & advertising	4,910	-	546	546	5,456
Professional fees	35,780	1,883	-	1,883	37,663
Rent and insurance	8,842	1,895	1,895	3,790	12,632
Specific assistance to organizations	20,000	-	-	-	20,000
Travel	2,479	310	309	619	3,098
<b>TOTAL EXPENSES</b>	<b>\$ 163,601</b>	<b>\$ 9,225</b>	<b>\$ 14,072</b>	<b>\$ 23,297</b>	<b>\$ 186,898</b>

The accompanying notes are an integral part of this statement.

**LEE COUNTY HOMELESS COALITION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended June 30, 2021**

FUNCTIONAL EXPENSES	SUPPORTING SERVICES				2021 Total Expenses
	Program Services	Admin.	Fund Raising	Total Supporting Services	
Compensation and related expenses					
Salaries	\$ 66,375	\$ 3,904	\$ 7,809	\$ 11,713	\$ 78,088
Fringe benefits	469	28	55	83	552
Payroll taxes	<u>5,061</u>	<u>298</u>	<u>595</u>	<u>893</u>	<u>5,954</u>
	71,905	4,230	8,459	12,689	84,594
Depreciation	-	-	-	-	-
Equipment & software	-	-	-	-	-
Events non-fundraising	-	-	-	-	-
Miscellaneous	3,425	-	-	-	3,425
Office, including telephone/internet	1,608	100	302	402	2,010
Outreach	86,444	-	-	-	86,444
Printing & advertising	5,231	-	581	581	5,812
Professional fees	39,074	2,057	-	2,057	41,131
Rent and insurance	9,121	1,955	1,954	3,909	13,030
Specific assistance to organizations	31,000	-	-	-	31,000
Travel	<u>67</u>	<u>8</u>	<u>8</u>	<u>16</u>	<u>83</u>
<b>TOTAL EXPENSES</b>	<b><u>\$ 247,875</u></b>	<b><u>\$ 8,350</u></b>	<b><u>\$ 11,304</u></b>	<b><u>\$ 19,654</u></b>	<b><u>\$ 267,529</u></b>

The accompanying notes are an integral part of this statement.

**LEE COUNTY HOMELESS COALITION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from grants and contracts	\$ 120,082	\$ 219,316
Cash received from members	8,158	5,847
Cash received from donations	53,478	40,152
Cash received from fundraising and events	24,386	7,809
Interest and other income received	1,224	1,999
Cash payments to suppliers and personnel	<u>(188,667)</u>	<u>(265,882)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>18,661</u>	<u>9,241</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property & equipment	<u>-</u>	<u>-</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	18,661	9,241
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>197,011</u>	<u>187,770</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 215,672</u>	<u>\$ 197,011</u>

The accompanying notes are an integral part of this statement.

**RECONCILIATION OF INCREASE (DECREASE) IN NET ASSETS  
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES**

	<u>2022</u>	<u>2021</u>
Increase (Decrease) in Net Assets	\$ 22,398	\$ 6,113
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used In) Operating Activities		
Depreciation	-	-
(Increase) decrease in contract and grant receivables	(1,968)	1,481
(Increase) decrease in prepaid expenses	784	(266)
(Increase) decrease in deposits	-	(200)
Increase (decrease) in accts. payable and accrued liabilities	(2,292)	572
Increase (decrease) in unearned revenue	<u>(261)</u>	<u>1,541</u>
TOTAL ADJUSTMENTS	<u>(3,737)</u>	<u>3,128</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 18,661</u>	<u>\$ 9,241</u>

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES**

**Organization and description of activities**

Lee County Homeless Coalition, Inc. (the "Coalition") was incorporated on December 4, 2008 as a private, not-for-profit Florida corporation under the provisions of Chapter 617 of the Florida Statutes. The Coalition is an advocacy group made up of representatives from community and faith-based service providers, local businesses, people who are currently experiencing or who have experienced homelessness, and other advocates committed to ending homelessness. The Coalition began operations on September 1, 2009.

The Coalition's activities include, but are not limited to, increasing public awareness of issues related to homelessness, improving government's ability to implement effective services by conducting a census and survey of homeless people, assisting those who are homeless or are at risk of being homeless, increasing support and participation from local businesses in coalitions, programs, and activities, and performing fundraising events to raise money for services provided. Revenue is also generated from grants and contracts.

**Mission statement**

Lee County Homeless Coalition, Inc.'s mission is to advocate, educate, and promote awareness of issues and obstacles facing homeless individuals in Lee County, Florida through community collaboration, planning and implementing solutions. The goal of these efforts is to work to eradicate the causes of homelessness. The Coalition will accomplish its mission by identifying the causes of homelessness, collaborating with individuals and organizations to seek and implement solutions to the causes and problems of homelessness, providing technical assistance to members of the Coalition, communicating the causes of and solutions to the problems of homelessness, participation in government affairs as allowed by law, and advocating for the homeless.

The following is a summary of the significant accounting policies used in the preparation of these financial statements:

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Basis of accounting**

The accounting and reporting policies of the Coalition conform to accounting principles generally accepted in the United States of America, and are in accordance with the audit guide issued by the American Institute of Certified Public Accountants, "Not-for-Profit Organizations" and the accounting standards issued by the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC).

The Coalition prepares its financial statements on the accrual basis of accounting. Grant revenues are recorded as support when performance occurs under the terms of the grant agreement. Grant revenue includes all resources received from another entity in accordance with an entitlement or grant document.

**Financial statement preparation**

Financial statement presentation is consistent with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-225-45-1 (formerly Statement of Financial Accounting Standards ("SFAS") No. 117) "Financial Statements of Not-For-Profit Organizations." Under FASB ASC 958-225-45-1, the Coalition reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions (including temporarily restricted net assets and permanently restricted net assets) and net assets without donor restrictions (unrestricted). Net assets without donor restrictions are defined as net assets that are free of donor-imposed restrictions, and include all investment income and appreciation not subject to donor-imposed restrictions. The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

The Coalition reports its contributions in accordance with FASB ASC 958-605-50-1 (formerly SFAS No. 116) "Accounting for Contributions Received and Contributions Made". In accordance with FASB ASC 958-605-50-1, contributions received are recorded as without donor restrictions (unrestricted) and with donor restrictions (temporarily restricted and permanently restricted) support depending on the existence and/or nature of any donor restrictions. Under FASB ASC 958-605-50-1, such contributions are required to be reported as support with restrictions (temporarily restricted) and are then reclassified to support without donor restrictions (unrestricted) upon expiration of the time restriction or compliance with the purpose restriction.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES, CONTINUED**

**Cash and cash equivalents**

For the purpose of the Statements of Cash Flows, the Coalition considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. At June 30, 2022 and 2021, the Coalition held no cash equivalents.

**Contracts and grants receivable**

Contracts and grants receivable consist of billings due from grantor or provider agencies. The Coalition uses the direct write-off method of accounting for uncollectible accounts associated with grantor or provider agencies. At June 30, 2022 and 2021, all contract and grant receivables are considered by management to be fully collectible.

**Property and equipment**

The Coalition's policy is to capitalize assets with a cost of \$1,000 or more and a useful life greater than 1 year. Property and equipment is recorded at cost, except for donated items (used in operations of the Coalition), which are recorded at fair market value as of the date received. Assets are depreciated using straight-line and accelerated methods (which approximate straight-line) over their respective estimated lives, as follows:

<u>Property &amp; Equipment Category</u>	<u>Useful Lives</u>
Buildings and improvements	6 to 50 years
Equipment	3 to 35 years
Furniture	4 to 20 years
Vehicles & rolling stock	3 to 10 years
Software	3 to 5 years
Infrastructure	20 to 50 years

The cost of assets retired or sold, together with the related accumulated depreciation, is removed from the accounts and any gain or loss on disposition is credited or charged to earnings. For the years ended June 30, 2022 and 2021, no debt related costs were capitalized as part of property and equipment.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES, CONTINUED**

**Impairment of property and equipment**

The Coalition adheres to the FASB ASC 360-10-50-2 (formerly SFAS No. 144), "Accounting for the Impairment or Disposal of Long-Lived Assets." FASB ASC 360-10-50-2 requires, among other things, that entities identify events or changes in circumstances which indicate that the carrying amount of an asset may not be recoverable.

There was no effect on the Coalition's financial statements resulting from FASB ASC 360-10-50-2 for the years ended June 30, 2022 or June 30, 2021.

**Compensated absences**

The Executive Director of the Coalition is entitled to be paid vacation per contract. Vacation time, if not taken, is payable up to thirty (30) days upon termination. The Executive Director is not entitled to receive accumulated sick leave upon termination from employment.

**Revenue recognition**

All grantor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose 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. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted (net assets without donor restrictions) support.

**Contributions**

In order to observe restrictions which donors place on grants and other gifts, as well as designations made by the Board of Directors, all assets, liabilities and activities are accounted for in the following net asset classifications:

**Net assets without donor restrictions** - Net assets that are not subject to donor-imposed restrictions. and may be expended for any purpose in performing the primary objectives of the Coalition. These net assets may be used at the discretion of the Coalition's management and the Board of Directors. This classification included Board designated net assets.



**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Contributions, continued**

**Net assets with donor restrictions** - subject to donor-imposed stipulations that they be retained and invested permanently by the Coalition or temporary stipulations that may be fulfilled by actions of the Coalition to meet the stipulations or become unrestricted at the date specified by the donor.

**Advertising costs**

The Coalition's policy is to expense advertising costs as such costs are incurred.

**Donated services**

No amount has been reflected in the financial statements for donated services, inasmuch as no objective basis is available to measure the value of such services. However, a number of volunteers, including the Board of Directors, have donated significant amounts of their time and expertise to the Coalition's programs and supporting services.

**Functional expenses**

The cost of providing the various programs and other activities have been detailed in the Statements of Functional Expenses and summarized on a functional basis in the Statements of Activities. Expenses that can be identified with a specific program service are charged directly to that program, according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases. The Board periodically approves the allocation method.

**Income taxes**

No provision for income tax expense has been made in the accompanying financial statements since the Coalition is exempt from income taxes under Internal Revenue Code Section 501(c)(3). In addition, the Coalition is not a private Foundation within the meaning of Section 509(a) of the Internal Revenue Code.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES, CONTINUED**

**Income taxes, continued**

The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. Management believes the Coalition met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax. The Coalition's income tax returns for the past three years are open and subject to examination by tax authorities, and may change upon examination. The Coalition reports no unrelated business taxable income; however, such status is subject to final determination upon examination of the related tax returns by the appropriate taxing authorities.

**Accounting for uncertainty in income tax items**

The Financial Accounting Standards Board has issued guidance on accounting for uncertainty in income taxes and the Coalition has adopted this guidance. The Coalition has evaluated its tax positions and any estimates utilized in its tax returns, and concluded that it has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Interest and penalties associated with uncertain tax positions will be recognized in income tax expense, if required.

**Management 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fair value**

The Coalition held no investments at June 30, 2022 or 2021. All other current assets and liabilities were recorded at cost which approximates fair value due to the short term nature of the item.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Fair value measurements**

The Coalition follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820 "Fair Value Measurements and Disclosures". The standard prioritized the use of market-based information and established a three-level hierarchy based on transparency of information, such as the pricing source, used in the valuation of the asset or liability. As required by the standard, assets and liabilities carried at fair value on a recurring basis are classified in one of the following three-level hierarchy categories:

Level 1: Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2: Observable inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

The Coalition uses appropriate valuation techniques based on the available inputs to measure fair value of its investments. When available, the Coalition measures fair value using Level (1) inputs because they generally provide the most reliable evidence of fair value. No Level (1), Level (2) or Level (3) inputs were held by the Coalition at June 30, 2021 or 2022.

Assets and liabilities such as cash, receivables, payable and accrued liabilities are recorded at cost which approximate fair value due to the short term nature of the assets and liabilities.

**Reclassifications**

Certain amounts in the financial statements have been reclassified to conform with the current year presentation. These reclassifications had no effect on the results of operations or total net assets.

**Subsequent events**

Subsequent events have been evaluated through October 18, 2022, which is the date the financial statements were available to be issued.

**NOTE B - CASH AND CASH EQUIVALENTS**

Cash is stated at the book balance of \$215,672 and \$197,011 at June 30, 2022 and 2021, respectively, which included restricted cash of \$1410 and \$2,025, respectively. Restricted cash consists of unearned revenue and net assets with donor restrictions. Cash accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per institution. At June 30, 2022 and 2021, the Coalition's bank balances were fully insured by the FDIC, however, cash balances may exceed the FDIC limit at times during the year. The Coalition has not experienced any economic losses on such accounts. The Coalition believes it is not exposed to any significant credit risk regarding its cash balances.

**NOTE C - CONTRACT AND GRANT RECEIVABLES**

Contract and grant receivables consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Lee County	\$ 10,896	\$ 8,928
Misc. fundraising	<u>-</u>	<u>-</u>
	<u>\$ 10,896</u>	<u>\$ 8,928</u>

Management believes contract and grant receivables are fully collectible.

**NOTE D - PROPERTY AND EQUIPMENT, NET**

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

	<u>2022</u>	<u>2021</u>
Land	\$ -	\$ -
Building and improvements	-	-
Office furniture and equipment	<u>8,580</u>	<u>8,580</u>
	8,580	8,580
Less: Accumulated depreciation	<u>(8,580)</u>	<u>(8,580)</u>
	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense for the years ended June 30, 2022 and 2021 was \$0 and \$0, respectively, and is included as an expense on the respective Statements of Functional Expenses.

**NOTE E - SCHEDULE OF NET ASSETS**

Net assets are available for the following purposes at June 30:

	<u>2022</u>	<u>2021</u>
<b>Without donor restrictions:</b>		
Unrestricted - undesignated by the Board	\$ 207,208	\$ 184,456
<b>With donor restrictions:</b>		
Restricted -donor restricted - blankets	<u>-</u>	<u>354</u>
Total Net Assets	<u>\$ 207,208</u>	<u>\$ 184,810</u>

**NOTE F - FUNDRAISING COSTS**

The Coalition incurred fundraising costs totaling \$20,953 and \$11,804 during the years ended June 30, 2022 and 2021, respectively.

**NOTE G - LEASE OBLIGATION - OFFICE SPACE**

The Coalition leases its office space in Fort Myers, Florida under a renewable one (1) year operating lease. During 2022, the Coalition extended the lease through August 31, 2023. Lease expense related to the office space totaled \$9,468 and \$9,323 for the years ended June 30, 2022 and 2021, respectively.

**NOTE H - ECONOMIC DEPENDENCE**

The Coalition's operations are substantially dependent on the receipt of support and revenue from grantor and contract agencies. Loss of these funds and/or large decreases in this type of funding would have a material effect on the financial position of the Coalition and a negative impact on overall operations. For the years ended June 30, 2022 and 2021, approximately 58% and 80% of total support and revenue was attributable to funds received from contractor and grantor agencies, respectively.

**NOTE I - COMMITMENTS AND CONTINGENCIES**

The Coalition is currently receiving and previously has received grants, contracts, and other third party funds which are subject to special compliance audits by the grantor and other third party agencies that provide these reimbursements. These audits may result in disallowed expense amounts.

Disallowed amounts, if any, constitute a contingent liability of the Coalition. Accordingly, such liabilities are not reflected within the financial statements of the Coalition, as management does not believe any contingent liabilities that may exist to be material.

**NOTE J - LIQUIDITY**

Financial assets available within one year of June 30, 2022 consisted of the following:

	<u>Amount</u>
Cash and cash equivalents	\$ 215,672
Grants receivable	<u>10,896</u>
	226,568
Less amounts due within one year:	
Current liabilities	<u>(19,864)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 206,704</u>

**NOTE K - COVID 19**

In early March 2020, the World Health Organization classified the coronavirus outbreak "COVID-19" as a global pandemic, and it, unfortunately, continues to spread. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, have been severely impacted, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. On April 1, 2020, Florida Governor, Ron DeSantis ordered all Floridians to stay home, to lock down the State against the Coronavirus. Fundraising events were halted, downsized or altered throughout the community.

The Coalition has adapted its fundraising and development efforts as well as its operations to accommodate the current environment. However, the full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to instability in financial markets. Management is actively monitoring the local situation on its financial condition, liquidity, operations, donors, industry, and workforce. Given the daily evolution of COVID-19 and the global and local responses to curb its spread, the Coalition is not able to estimate the future effects of COVID-19 on its results of operation, financial condition, or liquidity for fiscal year 2022-23.

**NOTE L - RELATED PARTY TRANSACTIONS**

The Coalition outsources printing services to a company in which a Board member is an owner. The amount of payments made for these services for the years ended June 30, 2022 and 2021 were \$5,060 and \$0, respectively.

