

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

(A NON PROFIT CORPORATION)

**Audit of Financial Statements
and Additional Information**

**December 31, 2023 and 2022
and Independent Auditor's Report**

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

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Independent Auditor's Report

Board of Directors
FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.
Jacksonville, Florida

We have audited the financial statements of FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC. (the Organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

The financial statements for December 31, 2022 were audited by another accountant with an independent auditor's report dated July 18, 2023.

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 the Organization'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 GAAP 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 GAAP, we:

- Exercise professional judgment and maintain professional scepticism 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 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 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.

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 Florida Alliance for Community Solutions, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Shaun Smith

Smith CPA's & Associates

Weston, Florida

June 4, 2024

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

Statements of Financial Position

As of December 31, 2023 and 2022

	Note	2023	2022
Assets			
Current Assets			
Cash and cash equivalents	\$	21,046	\$ 17,501
Inventory		1,340	1,340
Total Current Assets		22,386	18,841
Total Assets		22,386	18,841
Liabilities and Net Assets			
Liabilities			
Current Liabilities			
Accrued payroll		13,995	3,589
Accrued expenses		1,173	893
Deferred revenue		2,500	-
Total Current Liabilities		17,668	4,482
Total Liabilities		17,668	4,482
Net Assets			
Change in net assets		(9,641)	(572)
Net assets at the beginning of the year		14,359	14,931
Without donor restrictions		4,718	14,359
With donor restrictions		-	-
Total Liabilities and Net Assets	\$	22,386	\$ 18,841

See accompanying notes to the financial statements

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

Statements of Activities

For the year ended December 31, 2023 and 2022

	2023	2022
Revenue and Other Support:		
Grants	\$ 107,676	\$ 119,214
In-kind revenue	9,615	10,410
Membership dues	17,778	21,935
Miscellaneous	395	207
Summit income	4,745	6,745
Total Revenue and Other Support:	140,209	158,511
Operating Expenses:		
Program services	138,774	107,340
Supporting services	11,076	68,580
Total Operating Expenses:	149,850	175,920
Change in Net Assets	(9,641)	(17,409)
Net Assets, Beginning of Year	14,359	31,768
Net Assets, End of Year	\$ 4,718	\$ 14,359

See accompanying notes to the financial statements

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

Statements of Functional Expenses

For the year ended December 31, 2023 and 2022

Expenses	2023			2022		
	Program	Supporting	Total	Program	Supporting	Total
	Services	Services		Services	Services	
Accounting	\$ 2,081	\$ 231	\$ 2,312	\$ -	\$ -	\$ -
Advertising	114	-	114	103	11	114
Annual summit expenses	5,154	-	5,154	2,654	-	2,654
Consulting and professional fees	23,126	266	23,392	-	57,222	57,222
Computer and software	1,352	139	1,491	-	-	-
Fees and charges	513	850	1,363	-	-	-
Insurance	2,760	308	3,068	2,757	306	3,063
Lease and rental	1,967	219	2,186	-	-	-
Membership dues	463	88	551	-	-	-
Miscellaneous	-	-	-	289	32	321
Office expenses	1,460	256	1,716	9,285	1,032	10,317
Rent paid	5,746	638	6,384	-	-	-
Repairs and maintenance	220	24	244	454	50	504
Salaries and benefits	78,991	7,168	86,159	81,626	9,070	90,696
Telephone	8,715	858	9,573	7,710	857	8,567
Training	-	-	-	650	-	650
Travel	6,112	31	6,143	1,812	-	1,812
Total Expenses	\$ 138,774	\$ 11,076	\$ 149,850	\$ 107,340	\$ 68,580	\$ 175,920

See accompanying notes to the financial statements

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

Statements of Cash Flows

For the year ended December 31, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities		
Change in net assets	\$ (9,641)	\$ (17,409)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in inventory	-	(252)
Change in accrued payroll	10,406	830
Change in accrued expenses	280	3,588
Deferred income	2,500	-
Net Cash Provided by (Used in) Operating Activities	3,545	(13,243)
Net Increase (Decrease) in Cash and Cash Equivalents	3,545	(13,243)
Cash, cash equivalents at beginning of year	17,501	30,744
Cash and Cash Equivalents at End of Year	21,046	17,501

Cash and Cash Equivalents

Cash and cash equivalents	\$ 21,046	\$ 17,501
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Supplemental Cash Flow Information

Interest paid	-	-
Taxes	-	-

See accompanying notes to the financial statements

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

Notes to the Financial Statements

For the year ended December 31, 2023 and 2022

1. Nature of the organization

The Florida Alliance for Community Solutions, Inc. (the "Organization") is a member-driven association of non-profit community-based development corporations ("CDC's") and their partners dedicated to strengthening Florida's community-based development institutions in order to better service their local communities.

Incorporated in August 2004, the Organization grew out of a 2003 meeting of concerned CDC's who wanted a strong state-wide trade association that could speak with one voice. The volunteer board is comprised of diverse CDC executives and staff representing urban, rural, small, medium and large organizations across the state.

The Organization is supported primarily through contributions and memberships dues.

2. Summary of significant accounting policies

a. Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205 dated August 2016, and the provisions of American Institute of Certified Public Accountants (AICPA "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). ASC 958-205 was effective January 1, 2018.

Under provisions of the Guide, 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: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the activities.

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

Notes to the Financial Statements

For the year ended December 31, 2023 and 2022

b. Cash and cash equivalents

Cash and cash equivalents principally include cash on hand, cash on deposit, certificates of deposit, and investments with original maturity of three months or less

c. Contributions receivable

Contributions, including unconditional promises to give due in the future periods, are recognized as revenues in the period made or received.

Conditional promises to give, which depend upon specified future and uncertain events, are recognized as revenue when the conditions upon which they depend are substantially met.

Contributions received with donor-imposed restrictions that are met in the same year as the contribution is received are reported as revenues on the unrestricted net asset class.

Contributions of assets other than cash are recorded at their estimated fair value at the date received. Contributions of cash or other assets to be used to acquire property and equipment are reported as revenues of the temporarily restricted net assets class; the restrictions are released at the time of acquisition of such long-lived assets.

d. Functional expense allocation

Certain expenses have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses.

Accordingly, certain costs have been allocated among the programs and supporting services benefited.

e. Income taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Organization periodically evaluates all significant tax positions. As of December 31, 2023, the Organization does not believe that it has taken any tax positions that would require the recording of any additional tax liability, nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. If the Organization were to incur an income tax liability in the future, interest and penalties would be applied as income taxes or interest expense. The Agency's income tax returns are subject to examination by the appropriate taxing jurisdictions, however, there are currently no examinations in progress.

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

Notes to the Financial Statements

For the year ended December 31, 2023 and 2022

f. Advertising cost

Advertising costs are expensed as incurred and included in operating expenses. The Agency incurred \$114 and \$114 in advertising costs for the years ended December 31, 2023 and 2022, respectively.

g. 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 and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

h. Subsequent Events

The Organization's management has evaluated subsequent events through June 4, 2024, the date the financial statements were available to be issued. The Agency's management are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the agency.

3. Contributions Receivable

As of December 31, 2023, Organization's contributions receivable consisted of unconditional promises to give in the amount of \$0 and receivables from third party processors in the amount of \$0, all of which are expected to be collected within one year. As of December 31, 2022, contributions receivable consisted of unconditional promises to give in the amount of \$0 and receivables from third party processors in the amount of \$0.

4. Liquidity and availability of resources

The following reflects the organization's financial assets as of December 31, 2023 and 2022, reduced by amounts not available for general use within one year of December 31, 2023 and 2022 due to contractual or donor-imposed restrictions:

	2023		2022	
Financial assets at end of year:				
Cash and cash equivalents	\$	21,046	\$	17,501
Financial assets available to meet general expenditures over the next twelve months	\$	21,046	\$	17,501

FLORIDA ALLIANCE FOR COMMUNITY SOLUTIONS, INC.

Notes to the Financial Statements

For the year ended December 31, 2023 and 2022

5. Concentration of Credit Risk

Credit risk of cash deposits in banking institutions in excess of federally insured amounts of \$250,000 totalled \$0 and \$0, respectively, as of December 31, 2023, and 2022.

6. In-kind Contributions

The Organization received donated services of \$9,615 and \$10,410 for the year ended December 31, 2023, and 2022, respectively. Such amounts, which are based upon information provided by third-party service providers, are recorded at their estimated fair value determined on the date of contribution and are reported as consulting and professional services allocated to program services on the accompanying statements of activities and statements of functional expenses.

Several volunteers have made significant contributions of their time. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under Professional Services.