

THE FAMILY HEALTHCARE FOUNDATION, INC.

Audited Financial Statements

December 31, 2018

JEANETTE EDWARDS, C.P.A., L.L.C.

THE FAMILY HEALTHCARE FOUNDATION, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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Independent Auditor's Report on Basic Financial Statements

Board of Directors
The Family Healthcare Foundation, Inc.

Report on the Financial Statements

I have audited the accompanying financial statements of The Family Healthcare Foundation, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses and cash flows for the years 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

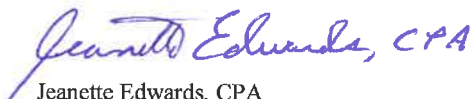
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 risks 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Family Healthcare Foundation, Inc. as of December 31, 2018 and 2017 and the changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Jeanette Edwards, CPA
Certified Public Accountant
June 5, 2019

THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Current Assets		
Cash	\$ 66,513	\$ 32,807
Grants Receivable	80,175	64,084
Accrued Receivables	68,501	259,171
Total Current Assets	<u>215,189</u>	<u>356,062</u>
TOTAL ASSETS	<u><u>\$ 215,189</u></u>	<u><u>\$ 356,062</u></u>
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 8,328	\$ 67,737
Accrued Expenses/Contracts Payable	29,089	184,767
Accrued Payroll and Leave	33,509	30,668
Deferred Grant Revenue	69,139	17,984
Total Current Liabilities	<u>140,065</u>	<u>301,156</u>
TOTAL LIABILITIES	<u>140,065</u>	<u>301,156</u>
Net Assets		
With donor restrictions	5,000	54,906
Without donor restrictions	70,124	-
TOTAL NET ASSETS	<u>75,124</u>	<u>54,906</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 215,189</u></u>	<u><u>\$ 356,062</u></u>

See Independent Auditor's Report
The accompanying notes are an integral part of these financial statements.

THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018 and 2017

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2018</u>	<u>Total 2017</u>
SUPPORT AND REVENUE				
Support				
Contributions	\$ -	\$ -	\$ -	\$ 100
Total Support	<u>-</u>	<u>-</u>	<u>-</u>	<u>100</u>
Revenue				
Grant Income				
USF Grant - MACRA	-	15,540	15,540	20,209
USF Grant - Navigator Support #4	-	-	-	479,980
USF Grant - Navigator Support #5	-	343,172	343,172	293,833
USF Grant - Navigator Support #6	-	72,429	72,429	-
AFM Grant - Covering Every Community	-	1,007	1,007	25,858
KOBC Grant	-	-	-	12,860
CB Emerging Grant	-	-	-	43,682
CB Connecting Grant	-	135,831	135,831	36,823
Florida Healthy Kids Corporation	-	40,000	40,000	-
Hillsborough County	-	21,122	21,122	-
Foundation for a Healthy St. Petersburg	-	10,030	10,030	-
Other Contractual Agreements	-	9,183	9,183	4,441
Program Income	-	5,000	5,000	-
Total Revenue	<u>-</u>	<u>653,314</u>	<u>653,314</u>	<u>917,686</u>
Net assets released from restrictions				
Released by expenditure	648,314	(648,314)	-	-
Total Support and Revenue	<u>648,314</u>	<u>5,000</u>	<u>653,314</u>	<u>917,786</u>
EXPENSES				
Program Services	590,013	-	590,013	900,834
Management and General	43,083	-	43,083	20,792
Total Expenses	<u>633,096</u>	<u>-</u>	<u>633,096</u>	<u>921,626</u>
INCREASE (DECREASE) IN NET ASSET	15,218	5,000	20,218	(3,840)
NET ASSETS AT BEGINNING OF YEAR	<u>54,906</u>	<u>-</u>	<u>54,906</u>	<u>58,746</u>
NET ASSETS AT END OF YEAR	<u>\$ 70,124</u>	<u>\$ 5,000</u>	<u>\$ 75,124</u>	<u>\$ 54,906</u>

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THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2018 and 2017

	<u>Program Services</u>			<u>Total Program</u>	<u>Supporting Services</u>		<u>Total 2017</u>
	<u>USF Grants MACRA</u>	<u>USF Grant To Support Navigators</u>	<u>ACA Education & Planning</u>		<u>Management & General</u>	<u>Total 2018</u>	
Personnel:							
Salaries and Wages	\$ -	\$ 130,977	123,549	254,526	\$ 12,177	266,703	246,694
Payroll Taxes	-	10,230	9,939	20,169	705	20,874	20,143
Payroll Fees	-	-	-	-	-	-	62
Benefits - Health Ins	-	2,576	6,176	8,752	23	8,775	7,312
Benefits - Paid Leave	-	-	-	-	4,241	4,241	5,513
Contract Employees	13,491	24,275	22,838	60,604	-	60,604	51,111
Total Personnel	<u>13,491</u>	<u>168,058</u>	<u>162,502</u>	<u>344,051</u>	<u>17,146</u>	<u>361,197</u>	<u>330,835</u>
Direct Service Providers	-	184,686	5,817	190,503	-	190,503	503,444
Professional Fees	-	11,707	-	11,707	10,488	22,195	28,552
Purchased Services	-	6,400	-	6,400	100	6,500	10,500
Postage	-	-	10	10	16	26	125
Printing and Copying	-	248	3,186	3,434	1,220	4,654	3,110
Rent	-	522	804	1,326	589	1,915	3,238
Supplies	-	595	2,521	3,116	546	3,662	4,619
Communications	-	4,293	1,536	5,829	974	6,803	5,076
Insurance	-	2,051	1,085	3,136	2,313	5,449	1,327
Outreach/Advertising/Mar	-	333	2,359	2,692	3,229	5,921	11,692
Travel and Meetings	-	6,554	11,156	17,710	5,840	23,550	18,542
Training	-	-	-	-	-	-	198
Other Expenses	-	99	-	99	577	676	346
Website	-	-	-	-	45	45	22
	<u>\$ 13,491</u>	<u>\$ 385,546</u>	<u>\$ 190,976</u>	<u>\$ 590,013</u>	<u>\$ 43,083</u>	<u>\$ 633,096</u>	<u>\$ 921,626</u>

See Independent Auditor's Report
The accompanying notes are an integral part of these financial statements.

THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2018 and 2017

Increase (Decrease) in Cash and Cash Equivalents

	2018	2017
Cash flows from operating activities:		
Increase (Decrease) in Net Assets	\$ 20,218	\$ (3,840)
Adjustment to reconcile increase/(decrease) in net assets to net cash provided by/used in operating activities:		
Change in assets and liabilities:		
- (Increase)/Decrease in grants receivable	(16,091)	30,823
- (Increase)/Decrease in accrued receivables	190,670	(46,670)
- Increase/(Decrease) in accounts payable and accrued liabilities	(59,408)	(82,805)
- Increase/(Decrease) in accrued expenses/contracts payable	(155,678)	119,926
- Increase/(Decrease) in accrued payroll and leave	2,841	7,553
- Increase/(Decrease) in deferred revenue	51,154	(13,158)
Net cash provided by/used in operating activities	33,706	11,829
Cash flows from investing activities:		
Purchase of assets	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities:		
Principle payments on borrowings	-	-
Net cash used in financing activities	-	-
Net increase (decrease) in cash and cash equivalents	33,706	11,829
Cash and cash equivalents at beginning of year	32,807	20,978
Cash and cash equivalents at end of year	\$ 66,513	\$ 32,807

See Independent Auditor's Report
The accompanying notes are an integral part of these financial statements.

THE FAMILY HEALTHCARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 1 - Nature of Business

The Family Healthcare Foundation, Inc. (the Foundation) is a non-profit corporation organized under the laws of the State of Florida on June 19, 1998. The Foundation was formed to provide financial, educational and other community support to ensure that health and social services are made available to children residing in Hillsborough County, Florida and adjacent communities.

The Foundation's goal is to help achieve affordable, quality healthcare access for all. They support a network of providers and community partners in disseminating accurate information, providing assistance to families to enroll in the healthcare coverage options for which they are eligible, and creating referral processes so individuals and families are connected to appropriate healthcare services. They strive to minimize barriers and maximize resources to help achieve a healthier and more vibrant community.

Note 2 - Summary of Significant Accounting Policies

The financial statements of The Family Healthcare Foundation, Inc. have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to the Foundation, the accounts are maintained in accordance with the principles of "fund accounting". Financial statement presentation follows the recommendation of the Financial Accounting Standards Board so that all of the net assets, revenues and expenses of the Foundation are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations or those net assets whose donor-imposed restrictions have expired. Voluntary designations of funds by the governing board are considered to be unrestricted.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as "net assets released from restrictions".

Contributions

Generally Accepted Accounting Principles for contributions received, effective for fiscal years beginning after December 15, 1995, requires reporting contributions received as an increase in net assets immediately, even if the donor has restricted their use. As a result, restricted contributions are recorded immediately, either as an increase in temporarily restricted net assets or permanently restricted net assets, depending on the nature of the donor restriction. Restrictions imposed internally by the governing board does not change the character of unrestricted contributions.

Revenue Recognition

Revenues are recognized when the earning process is substantially complete and the goods have been delivered or services performed. Revenue from grants is earned as services are performed and grant funds are expended/earned. Any unexpended/unearned grant funds at the end of the year are deferred and shown in the financial statements as Deferred Revenue.

THE FAMILY HEALTHCARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 2 - Summary of Significant Accounting Policies - Continued

Equipment

Equipment is recorded at cost. Equipment in excess of \$1,000 with an estimated useful life in excess of one year and betterments which materially extended the useful lives of assets are capitalized. Repairs and maintenance are charged to expense when incurred. Depreciation is computed for financial statement purposes on a straight-line basis over the estimated useful lives of the related assets.

Income Taxes

The Foundation is a tax-exempt Organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. In addition, the Foundation has been determined by the Internal Revenue Service not to be a private foundation within the meaning of section 509 (a) of the Code. Accordingly, income earned in furtherance of the Foundation's tax-exempt purpose is exempt from federal and state income taxes. No provision for federal or state income taxes has been included in the accompanying financial statements.

Donated Materials and Services

The Foundation reports donations of materials and services at their estimated values as revenues and expenses on the date of receipt. These items are measured at amounts comparable to costs which would be incurred to hire personnel, rent facilities or purchase items to accomplish similar objectives. Only those services which create or enhance non-financial assets or that require specialized skills, and are provided by individuals possessing those skills, and which would typically need to be purchased if not provided by donation, are recorded in the financial statements.

Allowance for Uncollectible Amounts

No allowance for uncollectible amounts has been provided since management considers all accounts receivable on the balance sheet date to be collectable. It is the policy of the Foundation to write off doubtful accounts directly to expense when determined to be uncollectible.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and money market funds. Cash equivalents is considered to be all highly liquid debt instruments with original maturities of three months or less.

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.

Functional Allocation of Expenses

The costs of providing the various program and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited based on direct usage or management's estimate of the benefit derived by each activity.

Note 3 - Concentrations

Support from the University of South Florida represented over 85% of the total support and revenue for the year ended December 31, 2018.

THE FAMILY HEALTH CARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 4 - Commitments and Contingencies

The Foundation has participated in various grant programs. Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to grantors. Although that is a possibility, management deems the contingency remote, since by accepting the grants and their terms, management and the board of directors have accommodated the objectives of the Foundation to the provisions of the grants. Any liability for reimbursement which may arise as the result of these conditions is not believed to be material.

Note 5 - Subsequent Events

Management has evaluated subsequent events through June 5, 2019 the date which the financial statements were available for issue and has concluded that there are no subsequent events which would require disclosure.