

SunServe

Financial Statements

December 31, 2019

TABLE OF CONTENTS

	PAGE
Independent Auditors' Report	1
Financial Statements	
Statement of Financial Position at December 31, 2019	2
Statement of Activities and Changes in Net Assets for the Year Ended December 31, 2019	3
Schedule of Functional Expense - 2019	4
Statement of Cash Flows for the Year Ended December 31, 2019	5
Notes to Financial Statements	6-14

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
SunServe
2312 Wilton Drive
Wilton Manors, FL 33305

Report on the Financial Statements

We have audited the accompanying financial statements of SunServe (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and cash flows 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 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 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, 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 SunServe as of December 31, 2019, 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.

Liggett & Webb, P.A.
LIGGETT & WEBB P.A.
Certified Public Accountants
Boynton Beach, Florida
April 29, 2020

SunServe
Statement of Financial Position
As of December 31, 2019

ASSETS

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 115,760
Beneficial Interest in Assets held by Our Fund	162,562
Grants Receivable	162,801
Prepaid Expenses	8,102
Total Current Assets	449,225

Furniture, Fixtures, & Equipment, Net	35,851
Deposits	11,677

TOTAL ASSETS	\$ 496,753
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$ 74,917
Total Liabilities	74,917

Net Assets

Without Donor Restrictions	412,486
With Donor Restrictions	9,350
Total Net Assets	421,836

TOTAL LIABILITIES AND NET ASSETS	\$ 496,753
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The accompanying notes are an integral part of these financial statements.

SunServe
Statement of Activities
For the Year Ended December 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support:			
Support:			
Contributions	\$ 669,806	\$ -	\$ 669,806
Private Grants	163,300	-	163,300
United Way	239,193	-	239,193
Government Grants	1,416,485	-	1,416,485
Total Support	<u>2,488,784</u>	<u>-</u>	<u>2,488,784</u>
Counseling Fees	24,564	-	24,564
Investments Income	32,637	-	32,637
Net assets released from restriction			
Satisfaction on purpose restrictions	10,289	(10,289)	-
Total revenues, gains, and other support	<u>2,556,274</u>	<u>(10,289)</u>	<u>2,545,985</u>
Expenses			
Program Services	2,364,344	-	2,364,344
Fundraising	99,572	-	99,572
Management and General	219,874	-	219,874
Total expenses	<u>2,683,790</u>	<u>-</u>	<u>2,683,790</u>
Change in Net Assets	<u>(127,516)</u>	<u>(10,289)</u>	<u>(137,805)</u>
Net Assets, Beginning of year - (Restated)	<u>540,002</u>	<u>19,639</u>	<u>559,641</u>
Net Assets, End of year	<u>\$ 412,486</u>	<u>\$ 9,350</u>	<u>\$ 421,836</u>

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

SunServe
 Schedule of Functional Expense
 For the Year Ended December 31, 2019

	Noble McArtor					Youth and		Total
	Case Management	Mental Health Service	Adult Day Care	Transgender Services	Women's Services	Family Services	Program	
Payroll	\$ 337,620	\$ 303,858	\$ 202,571	\$ 33,762	\$ 84,405	\$ 557,073	\$ 1,519,289	\$ 1,688,099
Payroll Taxes	24,460	22,014	14,675	2,446	6,115	40,358	110,068	122,298
Workers Comp	4,044	3,640	2,427	404	1,011	6,673	18,199	20,221
Employess benefits	36,070	32,462	21,642	3,607	9,017	59,515	162,313	180,348
Cost of Payroll	773	697	465	78	194	1,277	3,484	3,871
Total Payroll Expense	402,967	362,671	241,780	40,297	100,742	664,896	1,813,353	2,014,837
Advertising & Promotion	2,136	1,923	1,089	706	569	3,604	10,027	11,863
Assistance Fund	13,211	-	33,969	-	118	11,204	58,502	58,502
EPIC	-	-	-	-	-	-	-	-
Accounting	2,425	2,183	1,455	243	605	4,001	10,912	16,556
Background Checks	70	208	70	70	70	70	418	22,125
Computer Consulting	6,305	5,752	3,782	582	1,730	10,298	28,449	1,046
Credit Card Fees	-	-	-	-	-	-	-	32,134
Med Consulting	-	4,231	-	-	-	1,075	5,306	3,525
Psychiatric Services	-	43,000	-	-	-	-	43,000	5,306
Fundraising Expenses	-	-	-	-	-	-	-	43,000
HR Records	534	563	134	55	203	827	2,316	4,000
Insurance	3,201	2,881	1,921	320	800	5,281	14,404	126
Interest Expense	-	-	-	-	-	-	-	640
Repairs and Maint.	-	-	-	-	-	-	-	88
Occupancy	45,574	49,574	29,627	9,115	15,191	44,076	193,157	1,089
Bank Charges	-	-	-	-	-	-	-	15,533
Dues & Subscriptions	1,941	3,233	2,844	182	460	3,036	11,696	65
Equipment Lease	2,179	1,961	1,307	218	545	3,596	9,806	335
Food & Food Supplies	507	2,492	10,703	51	4,172	10,666	28,591	436
Entertainment	-	-	8,758	-	-	-	8,758	58
Printing	2,089	926	620	41	641	1,481	5,798	8,758
Supplies & Materials	4,581	4,327	31,530	1,140	7,532	18,153	67,263	1,849
Telephone	6,400	5,826	3,871	567	1,647	10,700	29,011	4,466
SFFFL	-	-	-	-	-	-	-	1,803
Thou Art Women	-	-	-	-	-	-	-	1,135
Training	497	2,274	528	50	124	1,035	4,508	-
Travel	6,447	2,013	1,625	-	432	8,552	19,069	99
Depreciation	-	-	-	-	-	-	-	1,608
Total	\$ 501,064	\$ 496,038	\$ 375,543	\$ 53,567	\$ 135,581	\$ 802,551	\$ 2,364,344	\$ 219,874
								\$ 99,572
								\$ 2,683,790

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

SunServe
Statement of Cash Flows
For the Year Ended December 31, 2019

Operating Activities:

Change in Net Assets	\$	(137,805)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization		6,232
Changes in Operating Assets and Liabilities:		
Grants Receivable		4,608
Prepaid Expenses		(2,712)
Accounts Payable		74,917
		(10,759)
Net Cash Used in Operating Activities		(10,759)

Investing Activities:

Purchases of Furniture, Fixture & Equipment		(1,567)
Investments		4,888
Beneficial Assets Held at Our Fund		37,745
		41,066
Net Cash Provided by Investing Activities		41,066

Net Cash Provided by Financing Activities

Net Increase in Cash and Cash Equivalents		30,307
Cash and Cash Equivalents, Beginning of Year		85,453
Cash and Cash Equivalents, End of Year	\$	111,760

Supplemental Disclosure of Cash Flow Information:

Cash paid for interest	\$	88
Cash paid for income taxes	\$	-

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

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

1. DESCRIPTION OF ORGANIZATION

Sunshine Social Services, Inc. dba SunServe, Inc. (the “Organization”) is a Florida nonprofit entity, which was incorporated in 2002. As the first agency to provide social service needs of the LGBTQ community of South Florida, the Organization has been an advocate, ally and champion for economically disadvantaged and marginalized youth, families, adults and seniors. Located in the heart of Wilton Manors, the second-highest per capita LGBTQ population in the United States, the Organization was created by a team of dedicated community volunteers who wanted to provide vital quality care to high-risk and vulnerable members of the LGBTQ community.

Mission Statement: Recognizing that the entire LGBTQ community has the right to quality care, our mission is to provide critical life assistance and professional mental health services with emphasis on economically disadvantaged, marginalized youth, adults and seniors in the greater South Florida metropolitan area.

Mental Health Services

Our first program, started in 2002 has become one of our largest. SunServe provides a full range of out-patient mental health services including, couples, family and group treatment at the SunServe offices. There is a combination of licensed clinicians, registered interns and master’s level students providing services. Services are provided on a sliding payment scale, with no one turned away due to lack of funds.

Noble A. McArtor Senior Center/Senior Services

The Noble A. McArtor Adult Day Care Center was the first of its kind in the United States. A senior daycare designated for LGBTQ seniors. The Center was founded by a team of individuals whose vision created a safe, open and home-like atmosphere for all seniors and their caregivers to enjoy, regardless, and supportive of any sexual orientation, race, age, gender, religion, economic level or ability to pay.

Youth & Family Services

Youth and Family Services is SunServe’s largest department. Therapy is provided for LGBTQ youth of all ages, as well as their family members. Life coaching is provided; understanding as education, whether vocational or college, is essential to living a full life. Staff works with Broward County Schools and their GSAs. Counseling is provided both in home and in office. Six different youth support groups are offered around the county.

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

1. DESCRIPTION OF ORGANIZATION (Cont'd)

Case Management

SunServe provides housing case management for those living with HIV. Our program is based on housing being an integral part of good health; and we do everything to keep people employed, housed and earning an income. We provide case management to those with substance abuse issues and mental health issues as well.

Transgender Services

SunServe offers support to clients who are anywhere in the transitioning process. Whether at beginning and looking for counseling services, to name and passport changes, to quality medical services and job placement – Our case management will help folks to reach their full potential. Several support groups are offered.

Women's Services

Lesbian and trans-women receive guidance on medical care, housing assistance, understanding and sympathetic physicians and support from their own. Cancer care and awareness are goals of the program. SunServe also provides comprehensive LGBTQ Competency training to municipalities, companies, non-profits and to the general public.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies: The Organization prepares its financial statements in accordance with generally accepted accounting principles (GAAP) promulgated in the United States of America for NFP's. The significant accounting and reporting policies used by the Organization are described below to enhance the usefulness and understandability of the financial statements.

Basis of Presentation: The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the 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.

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Net Assets: Under the 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:

Without Donor Restrictions – Without Donor Restrictions net assets are resources available to support operations. The only limits on the use of without donor restrictions net assets are the broad limits resulting for the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

With Donor Restrictions – With donor restrictions net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The Organization’s unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted endowment funds.

When a donor’s restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from with the donor restrictions to without donor restrictions net assets. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as with donor restrictions until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

As of December 31, 2019, net assets with donor restrictions were available for the following:

Subject to expenditure for specified purpose			
Epic	\$		9,803
Bus Passes			267
Total	\$		9,350

Net assets with donor restrictions released for the year ended December 31, 2019 are as follows:

Releases from restrictions:			
Subject to expenditure for specified purpose			
Epic	\$		10,289

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Prior Period Adjustment: Net Assets With Donor Restrictions - During the year ended December 31, 2019, management determined that \$200,307 related to their beneficial interest in assets held by Our Fund should be accounted for as net assets without donor restrictions. As a result the Organization has restated the accompanying financial statements and the net assets at the beginning of the year to reflect the correct classification as nets assets without restrictions. The restatement did not have any effect on the total net assets or cash flows for the year.

Tax Status: The Organization is incorporated exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, though it would be subject to tax on income related to its exempt purposes (unless that income is otherwise excluded by the Code). Contributions to the Organization are tax deductible to donors under section 170 of the Code. The Organization is not classified as a private foundation at report date, the Organization federal income tax returns for 2017, 2018, and 2019 remain open to examination by the Internal Revenue Service.

Functional Expense Recognition and Allocation: The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited. General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide the overall support and direction of the Organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgments contain requests for contributions, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

Cash and Cash Equivalents: Cash equivalents are short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital or endowment nature

Grants Receivable: Grants receivable are primarily unsecured amounts due from grantors on cost reimbursement or performance grants. Management believes that all outstanding accounts receivable are collectible in full, therefore no allowance for uncollectible receivables has been provided.

Promises to Give: The Organization records unconditional promises as pledges receivable at the date when the promise is received. These pledges receivable are reduced by an allowance for uncollectible pledges, if deemed necessary, and are discounted to the present value of their expected future cash flows if due in more than one year. As of December 31, 2019, the Organization had no promises to give.

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Furniture, Fixtures, and Equipment: Furniture, fixtures, and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. Equipment is capitalized if it has a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Furniture, Fixtures & Equipment	3 & 5 years
Leasehold Improvements	15 years

Furniture, fixtures, and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Use of Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the Organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Organization's management believes that the estimates and assumptions are reasonable in the circumstance; however, the actual results could differ from those estimates.

Grant Revenue: Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget Circular A-133 and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the Organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the Organization.

Contributions: Contributions are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Time-restricted and purpose-restricted contributions are required to be reported as donor restricted support. When a restriction expires (that is, when a stipulated time restriction ends or a 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. 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.

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The organization primarily relies on contributions and grants from federal organizations, foundations, and individuals to continue operations. Due to the current Coronavirus Pandemic, the governor of Florida issued a stay-at-home order effective April 2, 2020 temporarily closing all non-essential businesses. As the Coronavirus Pandemic evolves the organizations contributions will be impacted, however, the extent to which the situation will impact the organization cannot be predicted. Accordingly, the Organization cannot predict the extent to which its financial position, results of operations and cash flows will be affected.

Restricted Collection: The Organization acts as a pass through agent for organizations that do not have 501 (c) (3) designation. The Organization receives funds for these organizations and pays the expenses for the funded amount. Contributions are recorded as with donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a 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.

Contributed Services: Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

The Organization follows Topic ASC 606 which requires the Organization to distinguish between contributions that increase net asset without donor restrictions or with donor restrictions. It also requires recognition of contributed services meeting certain criteria at fair values. As of December 31, 2019, the Organization had no contributed services.

Advertising: The Organization uses advertising to promote its programs to the community it serves. The production costs of advertising are expensed as incurred. Advertising costs totaled \$11,863 for the year ended December 31, 2019.

Fair Value of Financial Instruments: Cash equivalents, beneficial interests, grant receivable, prepaid expenses, deposits and accounts payable are reflected in the financial statements at cost, which approximate fair value because of their short-term nature.

Recent Accounting Pronouncements

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied to the period presented.

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" ("ASU 2016-02"), which affects any entity that enters into a lease (as that term is defined in ASU 2016-02), with some specified scope exceptions. The main difference between the guidance in ASU 2016-02 and current GAAP is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under current GAAP. Recognition of these assets and liabilities will have a material impact to our consolidated balance sheets upon adoption. Under ASU 2016-02, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients. The ASU will be effective for not-for-profits for annual reporting periods being after December 15, 2020. The Organization does not believe the adoption of this guidance will have a material effect on the financial statements.

In June 2018, the FASB issued ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This ASU will assist entities in (1) evaluating whether a transaction should be accounted for as a contribution or as an exchange transaction and (2) determining whether the contribution is conditional. If the transaction is considered a contribution, the Organization should follow the guidance in Subtopic 958-605, Not-for-Profit Entities – Revenue Recognition. If the transaction is considered an exchange transaction, the Organization should follow other guidance, namely Topic 606, Revenue from Contracts with Customers. This ASU calls for a prospective modification basis in which on the first set of financial statements to be issued after the effective date of the amendment, all agreements should be modified that are either not completed as of the effective date or entered into after the effective date. The ASU will be effective for not-for-profits for annual reporting periods being after December 15, 2018. The ASU has been applied to the period presented.

Advertising: The Organization uses advertising to promote its programs to the community it serves. The production costs of advertising are expensed as incurred. Advertising costs totaled \$11,863 for the year ended December 31, 2019.

Date of Management's Review: In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 29, 2020, the date that the financial statements were issued.

3. CONCENTRATION OF RISKS

Amounts held in financial institutions occasionally are in excess of the Federal Deposit Insurance Corporation. The Organization deposits its cash with high quality financial institutions, and management believes the Organization is not exposed to significant credit risk on those amounts. As of December 31, 2019, the Organization had no cash balances in excess of FDIC insurance at its financial institutions.

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

3. CONCENTRATION OF RISKS (Cont'd)

The majority of the Organization's contributions and grants are received from corporations, foundations, and individuals located in the greater Fort Lauderdale metropolitan area and from agencies of the State of Florida. As such, the Organization's ability to generate resources via contributions and grants is dependent upon the economic health of that area and of the State of Florida. An economic downturn could cause a decrease in contributions and grants that coincides with an increase in demand for the Organization's services.

As of December 31, 2019, the Organization had the following revenue concentrations.

	<u>Revenues</u>	<u>Grants Receivable</u>
ADRC	11.4%	15.1%
AIDS Health Care Foundation	21.9%	-
BBHC	-	11.2%
Broward County	10.6%	15.8%
Children's Service Council	14.3%	18.5%
City of Fort Lauderdale	12.9%	19.2%
United Way	-	19.5%

4. LIQUIDITY AND AVAILABILITY

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 115,760
Beneficial interest held	162,562
Grants receivable	162,801
Prepaid expenses	8,102
Financial assets at year end	<u>\$ 449,225</u>
Less those unavailable for general expenditure within one year due to:	
Restricted by donor with time or purpose restrictions	<u>(9,350)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 439,875</u>

The Organization's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date and amounts set aside for long-term investing in endowments.

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

SunServe
Notes to the Financial Statements
For the Year Ended December 31, 2019

5. DONOR ADVISED FUNDS

Funds in the amount of \$420,000 for the SunServe Fund were paid into Our Fund and \$350,000 was gifted back and designated as Donor Advised Funds in 2019. Investment decisions are managed solely by Our Fund. As Donor Advisor, Sunshine Social Services, Inc. within the guidelines of Our Fund, may advise as to distribution of the funds and or earning. During the year ended December 31, 2019, the Organization received \$32,637 from the fund and the fund balance as of December 31, 2019 was \$162,562.

6. FURNITURE, FIXTURES, AND EQUIPMENT

As of December 31, 2019, furniture, fixtures, and equipment consisted of:

Furniture, Fixtures, & Equipment	65,933
Leasehold Improvements	23,179
Total Furniture, Fixtures, & Equipment	89,112
Less: Accumulated Depreciation	(53,261)
Net Book Value	\$ 35,851

Depreciation expense was \$6,232 for the year ended December 31, 2019.

7. COMMITMENTS

The Organization entered into an amendment to the original lease agreement on May 16, 2016 for the 2nd floor, Suite Numbers 3, 4, 5, 7, 8 & 13 of 2312 Wilton Drive, Wilton Manors, Florida for an average monthly fee of \$12,636. The lease extension extends the lease to June 30, 2020. The Organization rents space at a local church on a verbal month-to-month basis for \$5,000 a month for their senior and youth & family services

For the Year Ending December 31,	
2020	135,816
Total	\$ 135,816

Rent expense was \$217,805 for the year ended December 31, 2019.

8. PENSION PLAN

In March of 2014 the Organization created a 403 (b) pension plans for employees. Amounts where deducted during the year from employees pay and were transferred to a 403 (b) pension plan provider. The Organization does not match employee contribution to the 403 (b).