

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)

FINANCIAL STATEMENTS

DECEMBER 31, 2022

FRIEDMAN, FELDMESSER & KARPELES, CPA, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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FRIEDMAN, FELDMESSER & KARPELES, CPA, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Florida Outreach Center for the Blind, Inc.
Palm Springs, FL

Opinion

We have audited the accompanying balance sheet of Florida Outreach Center for the Blind. as of December 31, 2022, and the related statements of revenues, expenses and changes in fund balances, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida Outreach Center for the Blind., as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Florida Outreach Center for the Blind. 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 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.

In preparing the financial statements, management is required to evaluate whether there are conditions considered in the aggregate, that raise substantial doubt about Florida Outreach Center for the Blind.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain a 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 GAAS 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 omission, misrepresentation, 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 GAAS, 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 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 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 Florida Outreach Center for the Blind'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 Florida Outreach Center for the Blind'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.

Friedman, Feldmesser & Karpeles, CPA, LLC

Friedman, Feldmesser & Karpeles, CPA, LLC
Jupiter, FL
June 14, 2023

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS

Current Assets:	
Cash in Bank	\$ 514,093
Grants Receivable	42,300
Prepaid Expenses	1,000
Prepaid Insurance	10,964
Total Current Assets	568,357
Property and Equipment, net of Accumulated Depreciation of \$69,370	478,035
TOTAL ASSETS	\$ 1,046,392

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts Payable and Accrued Expenses	\$ 4,833
Total Current Liabilities	4,833
Net Assets:	
Without Donor Restrictions	963,656
With Donor Restrictions	77,902
TOTAL NET ASSETS	1,041,559
TOTAL LIABILITIES AND NET ASSETS	\$ 1,046,392

See accountants' audit report and accompanying footnotes.

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	TOTAL
Operating Activities:			
Grants	\$ 209,010	\$ 145,750	\$ 354,760
Contributions	25,313	-	25,313
Special Events:			
Dining in the Dark (net of expenses of \$15,328)	14,541	-	14,541
Other Revenues:			
Miscellaneous Income	53	-	53
Reimbursable Expense Revenue	5,123	-	5,123
ERTC Tax Credit	1,380	-	1,380
Total Revenue and Support Before Releases	<u>255,421</u>	<u>145,750</u>	<u>401,118</u>
Net Assets Released from Restrictions	<u>134,006</u>	<u>(134,006)</u>	<u>-</u>
EXPENSES			
Program Services	286,729	-	286,729
General and Administrative	17,373	-	17,373
Total Expenses	<u>304,102</u>	<u>-</u>	<u>304,102</u>
Change in Net Assets from Operating Activities	85,326	11,745	97,070
Net Assets - January 1, 2022	<u>878,330</u>	<u>66,158</u>	<u>944,488</u>
Net Assets - December 31, 2022	<u>\$ 963,656</u>	<u>\$ 77,902</u>	<u>\$ 1,041,559</u>

See accountants' audit report and accompanying footnotes.

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Program Activities	Supporting Activities	Total expenses
Salaries	\$ 164,411	\$ 7,161	\$ 171,572
Payroll Taxes	13,657	-	13,657
Total Salaries, Benefits and Taxes	178,068	7,161	185,229
Independent Contractor	15,467	-	15,467
Insurance	8,037	893	8,930
Fees	1,085	121	1,205
Legal and Professional fees	4,455	495	4,950
Miscellaneous Expenses	748	83	831
Dues and subscriptions	1,275	142	1,416
Office Expense	8,164	907	9,072
Payroll Processing fees	3,048	339	3,387
Payroll Exp. - Workers Comp	818	91	909
Program Supplies & Expenses	10,122	1,125	11,247
Promotion	4,500	500	5,000
Property Tax Expenses	547	61	608
Repairs and Maintenance	26,758	2,973	29,731
Supplies	77	9	85
Telephone	1,412	157	1,568
Transportation Tickets	4,127	459	4,585
Travel	235	26	261
Utilities	4,423	347	4,770
Total Expenses Before Depreciation	273,364	15,887	289,250
Depreciation	13,366	1,485	14,851
Total Expenses	\$ 286,729	\$ 17,373	\$ 304,102

See accountants' audit report and accompanying footnotes.

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

Cash Flows from Operating Activities	
Change in Net Assets	\$ 97,070
Adjustments to reconcile change in net assets to Net Cash from Operating Activities:	
Depreciation	14,851
Changes in:	
Grants Receivable	(21,175)
Deposits	10,125
ERTC Credit Receivable	18,454
Prepaid Expenses	(1,000)
Prepaid Insurance	(4,453)
Accounts Payable and Accrued Expenses	<u>633</u>
Net Cash Provided by Operating Activities	<u>114,505</u>
Cash Flows From Investing Activities	
Purchase of Property and Equipment	<u>(30,464)</u>
Net Cash (Used in) Investing Activities	<u>(30,464)</u>
Net Increase in Cash and Cash Equivalents	84,041
Cash and Cash Equivalents - January 1, 2022	<u>430,052</u>
Cash and Cash Equivalents - December 31, 2022	<u><u>\$ 514,093</u></u>

See accountants' audit report and accompanying footnotes.

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 – ORGANIZATION

Nature of the Organization

Florida Outreach Center for the Blind, Inc. (the “Organization”) is a not-for-profit organization principally engaged as a resource center for visually impaired persons and is the only full-service training facility of its kind in Palm Beach County. The Center offers programs which teach blind individuals the skills necessary for daily living. The Organization is qualified as an exempt organization under Section 501 (c) (3) of the Internal Revenue Service and is not subject to federal income taxes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and 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 January 1, 2019.

Financial Statement Presentation

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:

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. The Organization’s board may designate assets without restrictions for specific operational purposes from time to time.

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 the Non-Profit 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.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Contributions

Unconditional contributions and grants are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions (Cont'd)

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. Donor-restricted contributions and grants whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions and grants restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

Functional Allocation of Expenses

The costs of providing the various programs and services have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

Property and Equipment

Property and equipment purchased by the Organization are stated at cost. Donated property and equipment are stated at fair market value at the date of the donation. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent of donor stipulations regarding how long those donated or acquired assets are placed in service as instructed by the donor reclassifying temporarily restricted net assets to unrestricted net assets at that time. Those assets donated with donor stipulations regarding permanent restrictions for a certain use are included as permanently restricted.

Major additions which materially increase the value of the property are capitalized and depreciated over the life of the asset. Maintenance and repairs are charged to expense as incurred. Depreciation expense has been computed using the straight-line method over useful lives ranging from 3 to 5 years. The Organization follows the practice of capitalizing all expenditures for land, buildings, furniture, and equipment in excess of \$500.

Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to Florida Outreach Center for the Blind, Inc's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be more of an unusual or nonrecurring nature.

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncement

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 lack of consistency in the type of information provided about expenses and investment return. Florida Outreach Center for the Blind, Inc. has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Subsequent Events

The subsequent events have been evaluated through June 14, 2023, the date the financial statements were available to be issued.

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 and evaluate 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, support and expenses during the period. Actual results could differ from those estimates.

Income Taxes

The Organization is incorporated in the State of Florida as a nonprofit organization and has elected federal tax-exempt status under I.R.C. Section 501(c)(3). Therefore, no provision for income taxes has been made in the accompanying financial statements. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending 2020, 2021, and 2022 are subject to examination by the IRS, generally for three years after they are filed. As of December 31, 2022, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

Grants and Deferred Support and Revenue

The Organization records the entire grant (if non-reimbursable) as accounts receivable when the grants are issued. Income from non-reimbursable grants is recorded when appropriate funds are spent. Income is recorded on the books as earned according to the terms specified in the grant. Grant funds with donor restrictions represent the amount of grants that have been received or committed but not yet earned (spent) in the current year. Reimbursable grants are recorded as the reimbursable expenses have been spent and submitted. Accounts Receivable represents amounts eligible for reimbursement not billed or collected yet.

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment are summarized by major classification as follows:

Buildings & Land	\$ 490,905
Furniture and Fixtures	15,664
Office Equipment	40,835
	<u>547,404</u>
Less: Accumulated Depreciation	<u>(69,370)</u>
TOTAL	<u><u>\$ 478,035</u></u>

NOTE 4 - GRANT REVENUE

Grants are subject to annual approval and periodic amendment and may require the fulfillment of certain conditions as set forth in the grant. Failure to fulfill the grant conditions could result in the return of the funds to grantors.

The following is a summary of grant revenues earned by grantor agency for the year ended December 31, 2022:

Allegany Franciscan Ministries	\$ 10,000
BallenIsles Charities Foundation	5,030
Boca Rio Golf Club	3,200
Community Foundation of Palm Beach and Martin County	7,500
Florida Department of Education/Division of Blind Services	91,980
Ibis Charities Foundation	10,000
J. Milton and Nellie Hoffa Foundation	4,000
PBC Cares Partnership for Aging	1,000
Quantum Foundation	40,000
TD Charitable Foundation	5,000
The Batchelor Foundation, Inc.	15,000
The Honda Classic	3,500
The Ingersoll Family Charitable Fund	1,000
The Jim Moran Foundation	50,000
The Jorgensen Foundation	5,000
The Leslie L. Alexander Foundation	35,000
The Lost Tree Village Charitable Foundation	18,050
The Walter and Adi Blum Foundation	15,000
The Walter and Barbara Bauke Foundation	2,000
The Weyenburg Charitable Trust	7,500
The William and Helen Thomas Charitable Trust	25,000
Total Grant Revenues	<u><u>\$ 354,760</u></u>

FLORIDA OUTREACH CENTER FOR THE BLIND, INC.
(a Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 – FAIR VALUE MEASUREMENTS

Cash and investments are measured and disclosed at fair value on a recurring basis by applying ASC 820, Fair Value Measurements and Disclosures, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing market participants at the measurement date. To increase consistency and comparability in fair value measurements and related disclosures, ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels, as follows:

Level 1 inputs – These are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement dates, such as stock quotes.

Level 2 inputs – These are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly in active markets, such as yield curves or other market data.

Level 3 inputs – These are unobservable inputs for the asset or liability, such as discounted cash flows. The level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the measurement in its entirety.

The following is a summary of the fair value classification of cash and investments at, December 31, 2022:

	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 514,093	\$ -	\$ -	\$ 514,093
Fixed Income / Low Volatility	-	-	-	-
Equity Securities / High Volatility	-	-	-	-
 Total Cash and Investments at Fair Value	 \$ 514,093	 \$ -	 \$ -	 \$ 514,093

NOTE 6 – UNINSURED CASH BALANCES

The Organization maintains cash balances held in several accounts at one financial institution located in Palm Beach County, Florida. The accounts are insured at each institution by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2022, the Association had \$263,604 in excess of the insured limit. The Organization is currently in the process of taking measures to eliminate such excess and has not experienced any losses related to these uninsured balances.