

**TAMPA HEIGHTS  
JUNIOR CIVIC ASSOCIATION, INC.  
FINANCIAL STATEMENTS  
TAMPA, FLORIDA  
SEPTEMBER 30, 2017 AND 2016**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Tampa Heights Junior Civic Association, Inc.

We have audited the accompanying financial statements of Tampa Heights Junior Civic Association, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2017, and the related statements of activities, functional expenses, 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 audits. We conducted our audits 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 Tampa Heights Junior Civic Association, Inc. as of September 30, 2017, 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.

### **Adjustments to Prior Period Financial Statements**

The financial statements of Tampa Heights Junior Civic Association, Inc. as of September 30, 2017, were audited by other auditors whose report dated May 1, 2017, expressed an unmodified opinion on those financial statements. As discussed in Note 5 to the financial statements, the Company has adjusted its September 30, 2016 financial statements to retrospectively apply the change in accounting to increase net assets by \$27,008 due to an overaccrual of expenses. The other auditors reported on the financial statements before the retrospective adjustment.

As part of our audit of the September 30, 2017 financial statements, we also audited the adjustments to the September 30, 2016 financial statements to retrospectively apply the change in accounting as described in Note 5. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the Company's September 30, 2016 financial statements other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the September 30, 2016 financial statements as a whole.

BRIMMER, BUREK & KEELAN LLP

*Brimmer, Burek & Keelan LLP*

Certified Public Accountants

August 22, 2018

**TAMPA HEIGHTS JUNIOR CIVIC ASSOCIATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2017 AND 2016**

**ASSETS**

	2017	2016
Cash	\$ 11,304	\$ 31,621
Restricted cash for facilities acquisition	2,536	-
Accounts receivable	15,893	50,720
Total current assets	29,733	82,341
 Equipment, net of accumulated depreciation	 315,003	 23,571
Total Assets	\$ 344,736	\$ 105,912

**LIABILITIES AND NET ASSETS**

Accounts payable and accrued expenses	\$ 10,775	\$ 58,933
Other payables	-	-
Total Liabilities	10,775	58,933
 Net Assets - Unrestricted	 317,811	 46,979
Net Assets - Temporarily restricted	16,150	-
Total Net Assets	333,961	46,979
Total Liabilities and Net Assets	\$ 344,736	\$ 105,912

**TAMPA HEIGHTS JUNIOR CIVIC ASSOCIATION, INC.**  
**STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Unrestricted	Temporarily Restricted	Total
Revenue and other support			
Donations	\$ 46,244	\$ -	\$ 46,244
Program revenue	17,213	-	17,213
Interest	120	-	120
Building acquisition reimbursement grant	8,000	319,992	327,992
Other revenue	42,553	-	42,553
Net Assets released from restrictions	303,842	(303,842)	-
Total revenue and other support	417,972	16,150	434,122
Expenses			
Program expenses			
Youth program	136,705	-	136,705
Total program expenses	136,705	-	136,705
Supporting services			
Administration	37,444	-	37,444
Fundraising	-	-	-
Total Supporting services	37,444	-	37,444
Total Expenses	174,148	-	174,149
Change in net assets	243,824	16,150	259,973
Prior period adjustment	27,008	-	27,008
Net asset, beginning of year	46,979	-	46,979
Net asset, end of year	\$ 317,811	\$ 16,150	\$ 333,960



**TAMPA HEIGHTS JUNIOR CIVIC ASSOCIATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Programs Services		Supporting Services		Total Expenses
	Youth Programs	Management and General	Fundraising	Total	
Salary	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe benefits	-	-	-	-	-
Total salaries and related expenses	-	-	-	-	-
Contract services	64,710	-	-	-	64,710
Utilities	11,628	4,983	-	4,983	16,611
Travel	-	2,363	-	2,363	2,363
Books and conferences	-	500	-	500	500
Insurance	3,081	1,320	-	1,320	4,401
Professional fees	-	6,466	-	6,466	6,466
Telephone	2,413	1,034	-	1,034	3,447
Repairs and maintenance	15,646	6,706	-	6,706	22,352
Office and postage expense	5,724	2,453	-	2,453	8,177
Program supplies and transportation	32,302	-	-	-	32,302
Bank and license fee	1,201	515	-	515	1,716
Marketing	-	6,464	-	6,464	6,464
Other	-	498	-	498	498
	<u>136,705</u>	<u>33,302</u>	<u>-</u>	<u>33,302</u>	<u>170,007</u>
Depreciation	-	4,142	-	4,142	4,142
Total Expenses	<u>\$ 136,705</u>	<u>\$ 37,444</u>	<u>\$ -</u>	<u>\$ 37,444</u>	<u>\$ 174,149</u>

Please read accompanying notes.



**TAMPA HEIGHTS JUNIOR CIVIC ASSOCIATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Changes in net assets	\$ 259,973
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:	
Prior period adjustment	27,008
Depreciation	4,142
(Increase) decrease in:	
Accounts receivable	34,827
Restricted cash for facilities acquisition	(2,536)
Increase (decrease) in:	
Accounts payable and accruals	(48,158)
Net cash provided by (used in) operating activities	275,255
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Acquisition of property and equipment	(295,572)
Net cash provided by (used in) investing activities	(295,572)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Net cash provided by (used in) financing activities	-
Increase (decrease) in cash and cash equivalents	(20,317)
Cash and cash equivalents, beginning of year	31,621
Cash and cash equivalents, end of year	\$ 11,304

**TAMPA HEIGHTS JUNIOR CIVIC ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017 AND 2016**

**NOTE 1 - NATURE AND PURPOSE**

Tampa Heights Civic Association, Inc. (the Organization) is a Florida nonprofit corporation formed in January 1998 in the State of Florida. Mission: Tampa Heights Junior Civic Association is a community-based, resident-driven organization that connects youth and families to community resources; provides youth opportunities to build leadership and civic involvement through mentoring, caring and support; and secures resources to respond to identified needs.

The organization provides in-school, after-school/non-school days and summer programs for youth and their families. Services include mentoring, tutoring, computer technology, health education, character development, workforce/entrepreneurship, and financial literacy. The Organization is committed to ensuring that young people receive services that will help them to become good citizens and community leaders.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present net assets and revenue, expenses, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

- Unrestricted net assets – Net assets not subject to donor-imposed stipulations.
- Temporarily restricted net assets – Net assets, which are subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.

Revenue is reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenue of the unrestricted net asset class.

**TAMPA HEIGHTS JUNIOR CIVIC ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017 AND 2016**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. As of September 30, 2017, the Organization considers cash and certificates of deposit to be cash and cash equivalents.

**Property and Equipment**

Property and equipment is stated at cost, if purchased, or at estimated fair value at the date of receipt if acquired by gift. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets. Major renewals and betterments are capitalized.

Maintenance, repairs and minor renewals are expensed as incurred. It is the policy of the Organization to maintain all property and equipment in good condition.

**Functional Allocation of Expenses**

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

**Income Taxes**

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Income Tax Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. The Organization is subject to the accounting standards on accounting for uncertainty in income taxes. Management does not believe it has taken any tax positions that are subject to a significant degree of uncertainty.

In accordance with the Financial Accounting Standards Board guidance on accounting for uncertainty in income taxes, the Organization evaluated its tax positions and concluded that the Organization had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements for the year ended September 30, 2017. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Organization is no longer subject to U.S. federal, state or local income tax examinations by authorities for years before September 30, 2014.

**TAMPA HEIGHTS JUNIOR CIVIC ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017 AND 2016**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Use of Estimates**

Management of the Organization has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities, as well as pro rata allocations in the recording of expenditures, to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

**NOTE 3 - ACCOUNTS RECEIVABLE**

Accounts receivable were \$15,893 and \$50,720 at September 30, 2017 and 2016, respectively. Accounts receivable balances are recorded at the amount the Company expects to collect at year end. The Company determined an allowance for doubtful accounts of \$-0- for September 30, 2017 and 2016, based on the payment patterns of its customers.

**NOTE 4 - PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at September 30, 2017:

	<u>2017</u>	<u>2016</u>
Land	\$ 283,150	\$ -
Equipment and furniture	37,736	25,313
	<u>320,886</u>	<u>25,313</u>
Less accumulated depreciation	<u>(5,883)</u>	<u>(1,742)</u>
Equipment, net of accumulated depreciation	<u>\$ 315,003</u>	<u>\$ 23,571</u>

The land purchase in 2017 is connected to the grant from the Florida Department of Economic Development, which place certain restrictions on the use and sale of the land for five years. See Note 7.

**NOTE 5 - PRIOR PERIOD ADJUSTMENTS**

During the current year ended September 30, 2017, the Organization discovered that it had improperly accrued expenses for the year ended September 30, 2016. The correct of this error increased opening net assets by \$27,008 and required a restatement of fiscal year 2016 financial statements as reflected in the Statements of Financial Position.

**TAMPA HEIGHTS JUNIOR CIVIC ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2017 AND 2016**

**NOTE 6 – RENTAL AGREEMENT**

The Organization entered into a twenty-five year sublease with the City of Tampa for the principal operation location at 2005 N. Lamar Avenue in November 2010. The City of Tampa leases the building from the Florida Department of Transportation (FDOT). No rent payment is due on the lease. The lease can be terminated by the FDOT or the Organization with sixty days notice.

**NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS**

Temporary restrictions on net assets relate to a grant from the Florida Department of Economic Opportunity (DEO) for the \$1.2 million facility acquisition costs. As of September 30, 2017, approximately \$320,000 of the facility acquisition costs have been reimbursed by the DEO. The grant from the Florida Department of Economic Development have certain restrictions on the use and sale of the property, plant and equipment purchased for five years.

**NOTE 8 - SUBSEQUENT EVENTS**

No events subsequent events which require adjustment to or disclosure in the financial statement.

Management has evaluated subsequent events through August 22, 2018, the date which the financial statements were available for issue.