



**SUNCOAST VOICES FOR  
CHILDREN FOUNDATION, INC.**

**FINANCIAL STATEMENTS**

*As of and for the Year Ended December 31, 2017  
(With Summarized Financial Information for 2016)*

*And Report of Independent Auditor*

**SUNCOAST VOICES FOR CHILDREN FOUNDATION, INC.**

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## Report of Independent Auditor

The Board of Directors  
Suncoast Voices for Children Foundation, Inc.  
Largo, Florida

We have audited the accompanying financial statements of Suncoast Voices for Children Foundation, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, 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 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 the Organization as of December 31, 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.

**Report on Summarized Comparative Information**

We have previously audited the Organization's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 22, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The signature is written in a cursive, flowing style.

Tampa, Florida  
August 13, 2018

**SUNCOAST VOICES FOR CHILDREN FOUNDATION, INC.**  
**STATEMENT OF FINANCIAL POSITION**

*DECEMBER 31, 2017*

*(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016)*

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 189,159	\$ 91,933
Gift card inventory	2,944	5,731
Prepaid expenses	4,922	-
Pledges receivable	12,500	30,000
<b>Total Current Assets</b>	<u>209,525</u>	<u>127,664</u>
Equipment, net	1,363	-
<b>Total Assets</b>	<u>\$ 210,888</u>	<u>\$ 127,664</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 9,399	\$ 4,033
<b>Total Liabilities</b>	<u>9,399</u>	<u>4,033</u>
Net Assets:		
Unrestricted	181,489	102,631
Temporarily restricted	20,000	21,000
<b>Total Net Assets</b>	<u>201,489</u>	<u>123,631</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 210,888</u>	<u>\$ 127,664</u>

**SUNCOAST VOICES FOR CHILDREN FOUNDATION, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

*YEAR ENDED DECEMBER 31, 2017*  
*(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016)*

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total 2017</b>	<b>2016</b>
Revenue and Other Support:				
Grant revenue	\$ 12,100	\$ -	\$ 12,100	\$ 10,095
Special events	210,502	-	210,502	144,085
Donations and other income	179,449	20,000	199,449	126,388
Total Revenue and Other Support	402,051	20,000	422,051	280,568
Net assets released from restriction	21,000	(21,000)	-	-
Total Revenue	423,051	(1,000)	422,051	280,568
Expenses:				
Program services	263,956	-	263,956	260,546
Management and general	31,321	-	31,321	27,486
Fundraising	48,916	-	48,916	26,556
Total Expenses	344,193	-	344,193	314,588
Change in net assets	78,858	(1,000)	77,858	(34,020)
Net assets at beginning of year	102,631	21,000	123,631	157,651
Net assets at end of year	\$ 181,489	\$ 20,000	\$ 201,489	\$ 123,631

See accompanying notes to the financial statements.

**SUNCOAST VOICES FOR CHILDREN FOUNDATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**

*YEAR ENDED DECEMBER 31, 2017*  
*(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016)*

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total 2017</u>	<u>2016</u>
Advertising and promotions	\$ 685	\$ 342	\$ 748	\$ 1,775	\$ 3,459
Individual specific assistance	201,227	-	-	201,227	212,266
Fundraising events	-	-	38,109	38,109	19,200
Insurance	904	452	452	1,808	1,944
Office expense	2,301	3,386	1,044	6,731	6,359
Other miscellaneous expense	65	1,819	897	2,781	2,886
Personnel costs	52,398	16,707	6,834	75,939	55,432
Professional services	-	5,900	-	5,900	3,365
Rent	6,376	2,033	832	9,241	9,677
Depreciation expense	-	682	-	682	-
Total Expenses	<u>\$ 263,956</u>	<u>\$ 31,321</u>	<u>\$ 48,916</u>	<u>\$ 344,193</u>	<u>\$ 314,588</u>

**SUNCOAST VOICES FOR CHILDREN FOUNDATION, INC.**  
**STATEMENT OF CASH FLOWS**

*YEAR ENDED DECEMBER 31, 2017*  
*(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016)*

	<u>2017</u>	<u>2016</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 77,858	\$ (34,020)
Depreciation expense	682	-
Changes in operating assets and liabilities:		
Gift card inventory	2,787	(1,369)
Pledge receivable	17,500	(30,000)
Prepaid expenses	(4,922)	-
Accounts payable and accrued expenses	5,366	674
Net cash flows provided by (used in) operating activities	<u>99,271</u>	<u>(64,715)</u>
<b>Cash flows from investing activities:</b>		
Purchase of equipment	<u>(2,045)</u>	-
Net cash used in investing activities	<u>(2,045)</u>	-
Net change in cash	97,226	(64,715)
Cash, beginning of year	<u>91,933</u>	<u>156,648</u>
Cash, end of year	<u>\$ 189,159</u>	<u>\$ 91,933</u>



# SUNCOAST VOICES FOR CHILDREN FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

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### **Note 1—Organization and summary of significant accounting policies**

*Organization* – Suncoast Voices for Children Foundation, Inc. (the “Organization”) is a nonprofit corporation, incorporated May 17, 2004. The Organization provides financial assistance and community resources in Pinellas and Pasco counties (Florida) to fulfill the unmet needs of abused and neglected children in the foster care program.

*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, 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 subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time.

*Permanently Restricted Net Assets* – Net assets subject to donor imposed stipulations that will be maintained permanently by the Organization. There were no permanently restricted net assets as of December 31, 2017.

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. 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.

*Gift Card Inventory* – Gift card inventory consists of contributed gift cards and vouchers held for future program needs and are stated at the fair value of the gift card at the date of donation and reduced by subsequent charges against the cards for purchases.

*Pledges Receivable* – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. The Organization uses the allowance method to determine uncollectable receivables. Management determined no allowance for uncollectable pledges was necessary as of December 31, 2017.

*Equipment* – 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 (three years). 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 equipment in good condition.

*Donated Services and Materials* – Donated materials are recognized at their estimated fair market value at the date of receipt. Donated services are recorded at their estimated fair value if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteers have donated substantial time to the Organization in various capacities. The value of this contributed time is not reflected in the financial statements because it does not meet the above recognition criteria.

# SUNCOAST VOICES FOR CHILDREN FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

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### Note 1—Organization and summary of significant accounting policies (continued)

Office rent and other services have been provided to the Organization gratis. The difference between the actual charge and the estimated fair market value is reflected as donations and other income in the accompanying statement of activities and changes in net assets. The total amount of this in-kind revenue was approximately \$28,900 for the year ended December 31, 2017. An expense is recorded to offset the in-kind revenue so that in-kind revenue equals in-kind expense and is included in individual specific assistance, office expense, professional services and rent in the accompanying statement of functional expenses.

*Advertising Costs* – Advertising costs are expensed as incurred. The Organization expensed approximately \$1,800 of advertising costs during the year ended December 31, 2017.

*Functional Allocation of Expenses* – The costs of providing the various program and other activities have been summarized on a functional basis in the accompanying statement of functional expenses. Salaries and other expenses that are associated with a specific program are charged directly to that program.

*Income Taxes* – The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made. Management has evaluated the effect of the guidance by accounting principles generally accepted in the United States of America (“GAAP”). Management believes that the Organization continues to satisfy the requirements of a tax-exempt organization at December 31, 2017.

*Use of Estimates* – Management of the Organization has made certain estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in accordance with GAAP. Actual results could differ from those estimates.

*Subsequent Events* – Management has considered subsequent events through August 13, 2018, (the date the financial statements were available to be issued) in connection with the preparation of these financial statements.

*Summarized Financial Information for 2016* – The financial statements include certain prior-year summarized comparative information in total but not by net asset class or by functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended December 31, 2016, from which the summarized information was derived.

### Note 2—Equipment

Property and equipment consist of the following at December 31, 2017:

Office equipment	\$ 3,316
Computer equipment	1,890
	<hr/>
	5,206
Less accumulated depreciation	(3,843)
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	<u>\$ 1,363</u>

# SUNCOAST VOICES FOR CHILDREN FOUNDATION, INC.

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

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### **Note 3—Temporarily restricted net assets**

Temporarily restricted net assets at December 31, 2017 consisted of \$20,000 for the future use of program services.

Net assets totaling \$21,000 during the year ended December 31, 2017, were released from donor restrictions by incurring expenses satisfying the restricted purposes.

### **Note 4—Related parties**

During the year ended December 31, 2017, the Organization received approximately \$121,000 of contributions from members of the Board of Directors. Approximately \$10,000 remained uncollected as of December 31, 2017, included in pledges receivable on the accompanying statement of financial position.

### **Note 5—Community Foundation of Greater St. Petersburg**

The Organization is the beneficiary of endowment funds held by the Community Foundation of Tampa Bay (the "Foundation").

Since the Foundation has full variance power over the funds, the Organization has not recorded the funds on the accompanying statement of financial position. The Organization receives periodic distributions from the funds which are recorded as unrestricted donations and other income on the statement of activities and changes in net assets. During 2017, the Organization received distributions totaling approximately \$3,000. The balance of the funds held by the Foundation totaled approximately \$159,000 as of December 31, 2017.