

Sunrise of Pasco County, Inc.

**Financial Statements
For the Year Ended
June 30, 2020**

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Independent Auditor's Report

November 15, 2020

Board of Directors
Sunrise of Pasco County, Inc.
Dade City, FL 33525

Report on the Financial Statements

We have audited the accompanying financial statements of Sunrise of Pasco County, Inc., (a nonprofit agency), which comprise the statement of financial position as of June 30, 2020, 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 judgement, 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 Sunrise of Pasco County, Inc. as of June 30, 2020, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2020, on our consideration of Sunrise of Pasco County, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sunrise of Pasco County, Inc.'s internal control over financial reporting and compliance.

Bodine Perry Tampa PLLC

Bodine Perry Tampa PLLC
Zephyrhills, FL

Sunrise of Pasco County, Inc.

Statement of Financial Position
For the Year Ended June 30, 2020

Assets

Current Assets

Cash and Cash Equivalents	\$	389,165
Investments		318,869
Grants and Contracts Receivable		447,738
Thrift Store Inventory		13,753
Prepaid Expenses		25,372
Total Current Assets		<u>1,194,897</u>

Fixed Assets - at cost (net of accumulated depreciation and
amortization of \$1,099,863)

1,275,271

Other Assets - Utility Deposits

4,733

Total Assets

\$ 2,474,901

Liabilities and Net Assets

Current Liabilities

Accounts Payable and Accrued Expenses	\$	77,900
Loan Payable PPPL - COVID 19		139,820
Lines of Credit Payable		-
Current Portion - Mortgage Payable		8,742
Total Current Liabilities		<u>226,462</u>

Mortgage Payable, less Current Portion

67,196

Total Liabilities

293,658

Net Assets

Without Donor Restrictions

1,573,577

With Donor Restrictions

607,666

Total Net Assets

2,181,243

Total Liabilities and Net Assets

\$ 2,474,901

The accompanying notes are an integral part of these financial statements

Sunrise of Pasco County, Inc.

Statement of Activities and Changes in Net Assets For the Year Ended June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues			
Support			
State and Federal Financial Assistance	\$ 2,230,960	\$ -	\$ 2,230,960
Contributions and Memorials	603,550	-	603,550
United Way	32,000	-	32,000
Pasco County	3,333	-	3,333
Other Grants	91,650	-	91,650
Net Assets Released from Restrictions	22,791	(22,791)	-
Total Support	<u>2,984,284</u>	<u>(22,791)</u>	<u>2,961,493</u>
Revenues			
Thrift Store Revenue	205,998	-	205,998
Value of Goods Sold	(51,500)	-	(51,500)
Thrift Store Revenue	<u>154,498</u>	<u>-</u>	<u>154,498</u>
Fund-Raising Receipts - Other	91,483	-	91,483
Investment Revenues	13,407	-	13,407
Other	6,810	-	6,810
Realized and Unrealized Gains (Losses) on Investments	(17,043)	-	(17,043)
Total Other Revenues	<u>94,657</u>	<u>-</u>	<u>94,657</u>
Total Support and Revenues	<u>3,233,439</u>	<u>(22,791)</u>	<u>3,210,648</u>
Expenses			
Program Services	2,808,145	-	2,808,145
Management and General	185,754	-	185,754
Fund-Raising	16,069	-	16,069
Total Expenses	<u>3,009,968</u>	<u>-</u>	<u>3,009,968</u>
Change in Net Assets	223,471	(22,791)	200,680
Net Assets at Beginning of Year	1,350,106	630,457	1,980,563
Net Assets at End of Year	<u>\$ 1,573,577</u>	<u>\$ 607,666</u>	<u>\$ 2,181,243</u>

The accompanying notes are an integral part of these financial statements

Sunrise of Pasco County, Inc.

Statement of Functional Expenses For the Year Ended June 30, 2020

	Program Activities			Supporting Activities			Total Expenses
	Shelter	Outreach & Other Programs	Total Program Services	Management and General	Fundraising	Total Support Services	
Salaries, Wages, and Benefits	\$ 136,206	\$ 2,050,718	\$ 2,186,924	\$ 122,695	\$ -	\$ 122,695	\$ 2,309,619
Depreciation	54,469	7,317	61,786	19,511	-	19,511	81,297
Contracted Services	-	1,054	1,054	3,267	-	3,267	4,321
Client/Participant Services	21,959	75,777	97,736	-	-	-	97,736
Insurance	17,803	17,813	35,616	8,607	-	8,607	44,223
Education, Materials, etc.	15	1,861	1,876	-	27	27	1,903
Supplies	-	-	-	438	15,066	15,504	15,504
Telephone/Communications	4,548	18,863	23,411	2,508	-	2,508	25,919
Office Expenses	-	-	-	-	-	-	-
Printing, Copying, etc.	-	771	771	-	-	-	771
Equip Rental & Maintenance	528	14,139	14,667	-	-	-	14,667
Mortgage Interest	-	941	941	-	-	-	941
Interest - LOC	-	618	618	-	-	-	618
Occupancy Expenses	26,106	256,137	282,243	13,148	-	13,148	295,391
Solutions Credit Card Fees	-	357	357	6,775	633	7,408	7,765
Membership Fees	-	13,168	13,168	-	-	-	13,168
Other Expenses	3,467	38,868	42,335	731	-	731	43,066
Printing, Copying, etc.	-	1,481	1,481	-	343	343	1,824
Professional Fees	-	10,997	10,997	6,980	-	6,980	17,977
Travel/Conferences	1,391	29,619	31,010	634	-	634	31,644
Miscellaneous	-	1,154	1,154	460	-	460	1,614
Total	<u>\$ 266,492</u>	<u>\$ 2,541,653</u>	<u>\$ 2,808,145</u>	<u>\$ 185,754</u>	<u>\$ 16,069</u>	<u>\$ 201,823</u>	<u>\$ 3,009,968</u>

The accompanying notes are an integral part of these financial statements

Sunrise of Pasco County, Inc.

Statement of Cash Flows For the Year Ended June 30, 2020

Cash Flows from Operating Activities

Change in Net Assets	\$ 200,680
Adjustments to reconcile change in Net Assets to Net Cash provided by Operating Activities:	
Depreciation	81,297
Decrease (Increase) in Grants and Accounts Receivable	(92,151)
Decrease (Increase) in Inventory	494
Decrease (Increase) in Prepaid Expenses	10,042
Decrease (Increase) in Other Assets	80
Increase (Decrease) in Accounts Payable and Accrued Expenses	21,924
Net Cash provided by Operating Activities	<u>222,366</u>

Cash Flows from Investing Activities

Proceeds of Investments/Principal retained	202,322
Purchase of Investments/Reinvestments	(198,327)
Fixed Assets purchased - Net of Disposals	(110,061)
Net Cash used by Investing Activities	<u>(106,066)</u>

Cash Flows from Financing Activities

Proceeds from PPP Loan	139,820
Payments on Lines of Credit	(58,795)
Mortgage Principal payments	(7,686)
Net Cash used by Financing Activities	<u>73,339</u>

Net Increase (Decrease) in Cash	189,639
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Cash Balance at Beginning of Year	<u>199,526</u>
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Cash Balance at End of Year	<u><u>\$ 389,165</u></u>
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Other Non-Cash Transactions:

In-Kind contributions of goods for sale in Thrift Store	\$ 51,006
In-Kind Office space donated	200,520
Other In-Kind contributions	1,319
Interest Paid during Year	1,559
Income Taxes Paid during Year	-
Realized and Unrealized Gain/Loss on Investments	\$ (17,043)

The accompanying notes are an integral part of these financial statements

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note A - Agency and Purpose

Sunrise of Pasco County, Inc. (the Agency) is an independently operated nonprofit corporation organized under the laws of the State of Florida. The Agency was established in 1982 as Sunrise Spouse Abuse Shelter, Inc. to locate temporary housing for abused women and their children in addition to providing counseling, information, referral, and educational services. It currently operates an emergency shelter for housing abused women and their children in addition to its other services. The Agency is exempt from income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code. Funding for its programs is obtained through state and local health and welfare agencies and through public contributions.

Note B - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Agency have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions as follows:

Net Assets without Donor Restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing Board may designate assets without donor restrictions for specific operational purposes from time to time.

Net Assets with Donor Restrictions

Net assets subject to donor (or certain grantor-imposed) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. There are \$607,666 in temporarily and no permanently restricted net assets with Donor Restrictions at June 30, 2020.

Cash and Cash Equivalents

The Agency considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments

The Agency follows ASC 958-320-35, Accounting for Certain Investments Held by Not-for-Profit Organizations. Under this provision, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note B - Summary of Significant Accounting Policies (continued)

Grants and Contracts Receivable

Grants and contracts receivable consist of amounts for which services have been completed and for which funds have been requested. No allowance for doubtful accounts is deemed necessary.

Thrift Store Inventory

Thrift Store inventory (and related value of goods sold) has been estimated by management based on the retail price reflected on stock on hand as of the year end to reflect a value of goods sold of 25% of the retail value. As of June 30, 2020, the amount reflected as inventory is \$13,753.

All goods sold through the Thrift Store are from donations to the Agency. During the current year, the estimated fair value of goods donated (in kind contributions) totaled \$51,006 and the resultant recorded fair value of goods sold was \$51,500.

Fixed Assets

The Agency capitalizes all property and equipment acquisitions in excess of \$1,000. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded 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 donor stipulations regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Where restrictions continue after acquisition of the related asset, the temporarily restricted amounts are reported as such until the restrictions lapse. The Agency then reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over their estimated useful lives. See also Note H.

Deferred Revenues

Funds received in advance and designated for use in the subsequent year have been reported as deferred revenues. No amount is applicable as of June 30, 2020.

Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other contributions with donor restrictions are reported as increases in net assets with donor restrictions. When a restriction expires or the restrictions are met in the same reporting period, contributions are reported as net assets without donor restrictions in the accompanying statement of activities. Grants and contributions received are considered to be available for use unless specifically restricted by the grantor or donor. Amounts received that are designated for a future period or are restricted by the grantor or donor for specific purposes, are reported as restricted support. Funding received for construction of the administrative office building and acquisition of the Thrift Store and Outreach property by way of CDBG grants during previous years is restricted by terms of the grant contract. The balance of net assets with donor restrictions is \$607,667 at June 30, 2020.

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note B - Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program services, support services, and fundraising functions. In addition, as the retail center has primarily been used for providing participants with clothing and household needs, the operating expenses of the thrift store have been allocated to program costs.

Income Taxes

The Agency is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3).

Management of the Agency considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential significant changes that management believes are more likely than not to occur, including changes to the Agency's status as a not-for-profit entity. Management believes that the Agency met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax. The Agency's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

Estimates

The financial report preparation includes the use of estimates and assumptions affecting the reporting of assets, liabilities, revenues and expenses. The actual results may differ from these estimates.

Donated Services/In-Kind Contributions

A substantial number of volunteers have made significant contributions of their time to Sunrise's program and supporting services. The value of this contributed time is not reflected in these financial statements since the criteria for recognition under ASC 958-605-25 have not been met. The Agency estimates the value of these services at \$93,441 for the year. In-kind contributions of rent in the amount of \$200,520 were received from Pasco County, Florida, Board of County Commissioners. This in-kind contribution was recognized in the financial statements.

New Accounting Pronouncement

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606), which is a comprehensive new revenue recognition standard that did supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. FASB issued ASU 2015-14 that deferred the effective date for the Organization until annual periods beginning after December 15, 2018. The amendments in this update are required to be applied retrospectively to each prior reporting period presented or with the cumulative effect being recognized at the date of initial application. The ASU has been applied retrospectively to all periods presented. The implementation had no impact on previously reported net assets.

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note B - Summary of Significant Accounting Policies (continued)

The Agency applied ASC 606 using the modified cumulative effect method, which resulted in no recognition of the cumulative effect of initially applying the new guidance as an adjustment to the opening balance of net assets at July 1, 2019. Therefore, the information has not been adjusted and continues to be reported under extant revenue guidance.

As part of the adoption of ASC 606, the Agency elected to use the following transition practical expedients: (1) all contract modifications that occurred prior to the date of initial application when identifying the satisfied and unsatisfied performance obligations, determining the transaction price, and allocating the transaction price have been reflected in the aggregate; and (2) ASC 606 is applied only to contracts that are not completed at the initial date of application. Because contract modifications are minimal, there is not a significant impact as a result of electing these practical expedients.

In implementing ASC Topic 606, the Agency reviewed its revenue recognition policies and procedures at the implementation date to determine any restatement of revenue and costs as if ASC Topic 606 had been followed from the inception of the contract. The Agency's review identified no material differences in the account balances. Since a material difference was not found, no retrospective analysis of account balance changes was required. Revenue recognition disclosures in the notes to these financial statements were significantly enhanced to conform to the new standard.

Most not-for-profit organizations receive significant support from sources that are outside the scope of FASB ASC 606, including contributions, nonreciprocal grants and contracts and investment income.

The Agency derives six percent of its revenue from thrift shop sales in point-of-sale transactions. Revenues are recognized when control of the goods or services is transferred to customers in an amount that reflects the consideration the Agency expects to be entitled to receive in exchange for those goods and services.

Note C - Cash Balances

The Agency maintains cash balances as of June 30, 2020, as follows:

Cash on Hand	\$	50
Demand Deposit - Insured by FDIC		389,115
Cash Total	\$	<u>389,165</u>

All deposits are held in accounts in the name of the Agency.

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note D - Grant Revenues

A substantial portion of revenues receivable for the various programs of the Agency are received by way of Federal and State grant contracts. The following is a brief summary of amounts received under the various agreements:

Federal FCADV	\$ 416,868
Federal VOCA	1,108,527
Dept of Health	108,410
Delta	112,366
McKinney	20,799
Safenet	16,620
	<hr/>
Federal Total	1,783,590
	<hr/>
State FCADV	367,547
State FCASV	79,823
	<hr/>
State Total	447,370
	<hr/>
Total Federal & State Assistance	\$ 2,230,960

Note E - Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash & Cash Equivalents	\$ 389,165
Investments	318,869
Grants & Contracts Receivable	447,738
Less: Restricted by donors with purpose and time restrictions	-
Total available for general expenditures	<hr/> <hr/>
	\$ 1,155,772

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note F - Fair Value Measurements

The Fair Value Measurements Topic of FASB Accounting Standards Codification defines fair value, establishes a consistent framework for measuring fair value and expands disclosure requirements for fair value measurements.

The Agency measures the fair value of assets and liabilities as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

Level 1 Fair Value Measurements

Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 Fair Value Measurements

Inputs in other than quoted market prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3 Fair Value Measurements

Unobservable inputs for an asset or liability. Level 3 inputs should be used to measure fair value to the extent that observable Level 1 or 2 inputs are not available.

Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The Agency's significant financial instruments are cash, accounts receivable, accounts payable, deferred revenue, and other short-term assets and liabilities. For these financial instruments (Level 1), carrying values approximate fair value because of the short-term maturity of these instruments.

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note G - Investments

Investments, as of June 30, 2020, are carried at fair value based on quoted prices in active markets (all Level 1 measurements) and consist of the following:

	<u>Cost</u>	<u>Fair Value</u>
Investments without Donor Restrictions		
Invesco Core Plus Bond Fnd	\$ 45,700	\$ 47,997
Guggenheim Total Return Fund	11,370	12,090
JP Morgan Growth Advantage	31,692	32,772
Blackrock Mid Cap Growth Equity	9,594	10,582
Guggenheim Macro Oppty	11,914	11,570
Blackrock Secured Credit Investor	19	-
Pimco Income	25,873	24,522
MFS Global Real Estate	3,946	3,507
Primco Corporate & Inc	90	-
Columbia Mortgage Oppts	86,791	84,657
Columbia Contrarian Core	8,803	8,573
Ishares Edge Msci Min	20,629	19,947
Ishares 20+Treasury Bond ETF	5,161	6,557
Lyondell Basell Industries	9,137	7,886
Money Market Obligations	35,030	35,047
Other	-	13,161
	<u>-</u>	<u>13,161</u>
Total	<u>\$ 305,749</u>	<u>\$ 318,868</u>

All securities are held in brokerage accounts in the name of the Agency.

All investments are reported on these financial statements at their estimated fair market value. Gains or losses from market value fluctuations are recorded in operations. Components of net investment income are:

Current Income from Investments	\$ 13,407
Net Gains (Losses) realized	(17,002)
Net Gains (Losses) not realized	<u>(41)</u>
Net Income (Loss) from Investments	<u>\$ (3,636)</u>

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note H - Fixed Assets

The following is a summary of fixed assets, by function, as of June 30, 2020.

	Estimated Useful Life	
Shelter facilities and furnishings	5-40 yrs	\$ 1,322,719
Administrative facility and furnishings	5-40 yrs	393,851
Agency vehicles	5 yrs	64,038
Thrift Store and Outreach facility	5-40 yrs	594,526
		<u>2,375,134</u>
Less accumulated depreciation		<u>(1,099,863)</u>
		<u>\$ 1,275,271</u>

Net assets related to the thrift shop, outreach facility, administrative facility (excluding furnishings), and shelter remodeling are considered temporarily restricted under terms of their funding source. The restriction of the net asset amount is considered temporary in nature because of the depreciation claimed each year and the offsetting reduction in the applicable net asset accounts. Early disposal or change in use of these assets could result in refunds to the grantor agencies. For the current year, \$22,791 is shown as released from these restrictions.

Other fixed assets are reported as a part of the unrestricted net asset amounts. Net operating assets used to add to fixed assets are considered transferred between operations assets and fixed assets but remain unrestricted in nature.

Fixed assets consist of the following amounts:

	Cost	Estimated Useful Life
Buildings and Structures	\$ 1,924,643	30-40 yrs
Furniture, Fixtures and Equipment	281,155	7-15 yrs
Vehicles	64,038	5 yrs
Land	105,298	
Total	<u>\$ 2,375,134</u>	

Depreciation totaled \$81,297 for the year with the entire amount charged to operations.

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note I - Lines of Credit

CenterState Bank of Florida, N.A.

The Agency has an agreement with the CenterState Bank of Florida, N.A. for a line of credit in the amount of \$75,000 maturing August 31, 2021, with a variable interest rate based on the Prime Rate as published in the Wall Street Journal with a minimum rate of 3.25% per annum. The outstanding balance at June 30, 2020, was \$0.

First National Bank of Pasco

The Agency has an unsecured line of credit with the First National Bank of Pasco, with a maximum draw down of \$150,000. The interest rate is currently 4.25%, and amount outstanding as of June 30, 2020, was \$0.

Note J - Mortgage Payable

The Agency is obligated under mortgage note debt as follows:

Variable rate mortgage payable to CenterState Bank of Florida, N.A., payable in 180 monthly installments. The note bears interest at 4.75% and requires monthly payments of \$963.06, including interest. This obligation is secured by first mortgage on real property purchased for expansion and shelter property.

Maturities for the following fiscal years are:

June 30,	2021	\$	8,742
	2022		8,549
	2023		8,964
	2024		9,400
	2025		9,856
	2026-2028		<u>30,427</u>
	Total	\$	<u>75,938</u>

Note K - Operating Equipment Agreements

The Agency currently carries no operating leases.

Note L - Subsequent Events

Management has evaluated subsequent events through November 15, 2020, the date the financial statements were available to be issued.

COVID-19 Pandemic

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may

Sunrise of Pasco County, Inc.

Notes to Financial Statements
For the Year Ended June 30, 2020

Note L - Subsequent Events (continued)

include disruptions or restrictions on employees' ability to work. Changes to the operating environment may increase operating costs. The future effects of these issues are unknown.

In 2020, the continued spread of the COVID-19 pandemic is affecting the United States and may affect the Agency's operations and those of third parties on which the Agency relies. While the Agency does not expect to see a material COVID-19 impact on the results of operations, given the uncertainties surrounding the duration of the outbreak, it is not currently possible to ascertain the overall impact of COVID-19 on the business. Management is monitoring the situation in order to mitigate any potential impact on the Agency's operations and financial performance.

In addition, in April 2020 the Agency received a loan of \$139,820 under the Payroll Protection Program (PPP) from CenterState Bank. The PPP is a loan designed to provide a direct incentive for small businesses to keep their employees on their payroll. Although an analysis has not yet been completed, management intends to seek forgiveness of the PPP loan.

Sunrise of Pasco County, Inc.

Schedule of Expenditures of Federal Awards And State Financial Assistance For the Year Ended June 30, 2020

Federal Agency, Pass-through Entity, Federal Program	CFDA No.	Contract/ Grant No.	Expenditures	Program Subtotal
FEDERAL AGENCY NAME				
U.S. Department of Housing and Urban Development (HUD) Passed through Pasco County, Florida McKinney Emergency Shelter (1)	CFDA 14.231	CD 19-0031	5,872	
U.S. Department of Housing and Urban Development (HUD) Passed through Pasco County, Florida McKinney Emergency Shelter (2)	CFDA 14.231	CD19-0031	14,927	
Total CFDA 14.231, Emergency Shelter Grants Program:				\$ 20,799
U.S. Department of Justice Passed through State of Florida, Office of the Attorney General Victims of Crime Act (VOCA)	CFDA 16.575	2018-00013	207,773	
U.S. Department of Justice Passed through State of Florida, Office of the Attorney General Victims of Crime Act (VOCA)	CFDA 16.575	2019-00020	539,248	
U.S. Department of Justice Passed through Florida Coalition of Domestic Violence Victims of Crime Act (EJVOCA)	CFDA 16.575	19-2229-EJ-VOCA	13,162	
U.S. Department of Justice Passed through Florida Coalition of Domestic Violence Victims of Crime Act (EJVOCA)	CFDA 16.575	20-2229-EJ-VOCA	35,226	
U.S. Department of Justice Passed through Florida Coalition of Domestic Violence Victims of Crime Act (CPIVOCA)	CFDA 16.575	19-2229-CPI-VOCA	13,571	
U.S. Department of Justice Passed through Florida Coalition of Domestic Violence Victims of Crime Act (CPIVOCA)	CFDA 16.575	20-2229-CPI-VOCA	27,352	
U.S. Department of Justice Passed through Florida Coalition of Domestic Violence Victims of Crime Act (IFPVOCA)	CFDA 16.575	19-2229-VOCA-Legal	88,766	
U.S. Department of Justice Passed through Florida Coalition of Domestic Violence Victims of Crime Act (IFPVOCA)	CFDA 16.575	18-2229-VOCA-Legal	183,429	
* Total CFDA 16.575, Crime Victim Assistance:				1,108,527

* Audited as a major program

Subtotal, page 1

\$ 1,129,326

The accompanying notes are an integral part of this schedule

Sunrise of Pasco County, Inc.

Schedule of Expenditures of Federal Awards And State Financial Assistance For the Year Ended June 30, 2020

Federal Agency, Pass-through Entity, Federal Program	CFDA No.	Contract/ Grant No.	Expenditures	Program Subtotal
		Federal Total from Previous Page:		<u>\$ 1,129,326</u>
U.S. Department of Justice Passed through State of Florida, Florida Coalition Against Domestic Violence Rural/Diversity Initiative	CFDA 16.588	20-2229-RI	54,263	
U.S. Department of Justice Passed through State of Florida, Florida Coalition Against Domestic Violence Rural/Diversity Initiative	CFDA 16.588	20-2229-RU	92,010	
U.S. Department of Justice Passed through State of Florida, Florida Coalition Against Domestic Violence Enhancing services	CFDA 16.588	19-2229 Enhancing Services	109,051	
U.S. Department of Justice Passed through Bay Area Legal Services Legal Services Grant-Safenet Progr Safenet	CFDA 16.588	N/A	4,059	
U.S. Department of Justice Passed through Bay Area Legal Services Legal Services Grant-Safenet Progr Safenet	CFDA 16.588	N/A	12,562	
<u>Total CFDA 16.588, Violence Against Women Formula Grants:</u>				<u>271,945</u>
U.S. Department of Health & Human Services Center for Disease Control. Passed through Florida Coalition Against Domestic Violence Delta III Grant	CFDA 93.136	19-2229	27,019	
U.S. Department of Health & Human Services Center for Disease Control. Passed through Florida Coalition Against Domestic Violence Delta Grant	CFDA 93.136	20-2229	62,117	
U.S. Department of Health & Human Services Passed through State of Florida Department of Health DOH Green DOT (PRED)	CFDA 93.136	COHJ5	63,240	
U.S. Department of Health & Human Services Passed through State of Florida Department of Health DOH Green DOT (PRED)	CFDA 93.136	COHJ5	45,170	
<u>Total CFDA 93.136, Injury Prevention and Control Research and State and Community Based Programs:</u>				<u>197,546</u>

Subtotal, page 1 & 2

\$1,598,817

The accompanying notes are an integral part of this schedule

Sunrise of Pasco County, Inc.

Schedule of Expenditures of Federal Awards And State Financial Assistance For the Year Ended June 30, 2020

Federal Agency, Pass-through Entity, Federal Program	CFDA No.	Contract/ Grant No.	Expenditures	Program Subtotal
Federal Total from Previous Pages:				<u>\$1,598,817</u>
U.S. Department of Health & Human Service: Passed through State of Florida, Department of Children and Families (FVPSA)	CFDA 93.671	20-2229	31,029	
U.S. Department of Health & Human Service: Passed through State of Florida, Department of Children and Families (FCADV FCTR)	CFDA 93.71	20-2229	14,106	
<u>Total CFDA 93.671, Family Violence Prevention and Services/Grants for Battered Women's Shelters:</u>				45,135
U.S. Department of Health & Human Service: Passed through State of Florida, Department of Children and Families (FVPSA)	CFDA 93.558	20-2229	116,410	
<u>Total CFDA 93.558, Temporary Assistance for Needy Families</u>				116,410
Emergency Food & Shelter National Board Passed through United Way, (FEMA)	CFDA 97.024	Phase 36	23,230	
<u>Total CFDA 93.671, Family Violence Prevention and Services/Grants for Battered Women's Shelters:</u>				23,230
Total Federal Awards Expended:				<u>\$1,783,592</u>

* Audited as a major program

The accompanying notes are an integral part of this schedule

Sunrise of Pasco County, Inc.

Schedule of Expenditures of Federal Awards And State Financial Assistance For the Year Ended June 30, 2020

State Agency, Pass-through Entity, State Project	CFSA No.	Contract/ Grant No.	Expenditures
FLORIDA STATE AGENCY NAME			
Department of Children and Families General Revenue	N/A	20-2229-DVS	\$ 67,533
Department of Children and Families Domestic Violence Trust Fund DVTF	N/A	20-2229-DVS	\$ 152,884
Department of Children and Families FCADV Prevention	N/A	20-2229-DVS	19,835
Department of Children and Families FCADV/DVCW	N/A	20-2229-CPI	76,168
Department of Children and Families DVII & FVII	N/A	19-2229	21,311
Florida Council Against Sexual Violence FCASV Trust Fund	CFSA 64.061	16RCP12	25,993
Florida Council Against Sexual Violence FCASV/OAG	CFSA 41.010	18OAG12	8,972
Florida Council Against Domestic Violence FNEW	CFSA 64.061	16GR12	44,858
Violence Against Women-FCADV FCPA		19-2229	7,701
Florida Council Against Domestic Violence FCADV COVID-19	N/A	N/A	19,813
Florida Council Against Domestic Violence FCADV Scholarship	N/A	N/A	2,300
Total State Expenditures:			<u>\$ 447,368</u>
Total Federal and State Expenditures:			<u>\$ 2,230,960</u>

The accompanying notes are an integral part of this schedule

Sunrise of Pasco County, Inc.

Notes to the Schedule of Expenditures of Federal Awards
And State Financial Assistance
For the Year Ended June 30, 2020

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal and state grant activity of the Sunrise of Pasco County, Inc., under programs of the federal and state governments for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. code of Federal Regulations part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *Rules of the Auditor General* of the State of Florida. Because the Schedule presents only a selected portion of the operations of Sunrise of Pasco County, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of the Sunrise of Pasco County, Inc.

Note B - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. There were no amounts passed through to other entities during the year.

Note C - Indirect Cost Rate

Sunrise of Pasco County, Inc. has not elected to use the 10-percent de minimis indirect rate allowed under the Uniform Guidance.



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**Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

November 15, 2020

To the Board of Directors of Sunrise of Pasco County, Inc.
Dade City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Sunrise of Pasco County, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 15, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sunrise of Pasco County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sunrise of Pasco County's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sunrise of Pasco County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, others within the entity, the Board of Directors, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bodine Perry Tampa PLLC

Bodine Perry Tampa PLLC
Zephyrhills, FL

November 15, 2020



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**Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on
Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.650
*Rules of The Auditor General***

November 15, 2020

To the Board of Directors
Sunrise of Pasco County, Inc.

Report on Compliance for Each Major Federal Program

We have audited Sunrise of Pasco County, Inc. ("Sunrise") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of Sunrise's major federal programs and state projects for the year ended June 30, 2020. Sunrise's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Sunrise of Pasco County, Inc.'s major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2, U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.650, *Rules of the Auditor General*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Sunrise's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Sunrise's compliance.

Opinion on Each Major Federal Program

In our opinion, Sunrise complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Sunrise is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sunrise's internal control over compliance with the requirements that could have a direct and material effect on each major federal program or state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sunrise's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of This Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bodine Perry Tampa PLLC

Bodine Perry Tampa PLLC
Zephyrhills, FL

Sunrise of Pasco County, Inc.

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2020

I. Summary of Auditor's Results

Financial Statements

1. We have audited the financial statements of Sunrise of Pasco County, Inc. as of and for the year ended June 30, 2020, and issued an unqualified opinion dated November 15, 2020.
2. Internal Control over Financial Reporting:
 - a. Material weaknesses identified? No
 - b. Significant deficiencies identified not considered to be a material weakness? No
3. Noncompliance material to the financial statements noted? No

Federal and State Awards

4. Internal Control over Major Programs:
 - a. Material weaknesses identified? No
 - b. Significant deficiencies identified not considered to be a material weakness? No
5. The auditors' report on compliance with requirements to the major federal programs and state projects expresses an unqualified opinion.
6. Our audit disclosed no findings required to be reported to federal programs under the Uniform Guidance, nor did our audit disclose any findings related to state projects required to be disclosed under Chapter 10.656, *Rules of the Auditor General*.
7. The programs/projects tested as major programs/projects included the following:

<u>Federal Project</u>	<u>Federal CDFA No.</u>
Victim of Crimes Act- Domestic Violence	16.575
8. The threshold used for distinguishing Type A and Type B programs was \$750,000 for major federal programs.
9. Sunrise of Pasco County, Inc. did qualify as a low-risk auditee under the provisions of 2 CFR Part 200, Support F.
10. *Rules of the Auditor General* 10.656(3)(e) - A management letter was not required.
11. *Rules of the Auditor General* 10.650(1)(i) - There were no prior audit findings to be reported.

II. Findings Related to the Financial Statements Required to be Reported.

None

III. Findings and Questioned Costs for Major Federal Programs and Major State Projects.

None