

**FAMILY PROMISE OF
BREVARD, INC.**

(a nonprofit organization)

Audited Financial Statements

December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Family Promise of Brevard, Inc.
Rockledge, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Family Promise of Brevard, Inc. (the "Organization"), a nonprofit organization, which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Family Promise of Brevard, Inc. as of December 31, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Family Promise of Brevard, Inc. 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 or events, considered in the aggregate, that raise substantial doubt about Family Promise of Brevard, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain 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 generally accepted auditing standards 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 omissions, misrepresentations, 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with generally accepted auditing standards, 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 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 Family Promise of Brevard, Inc.'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 Family Promise of Brevard, Inc.'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.

Moss, Krusick & Associates, LLC

Winter Park, Florida
July 12, 2024

FAMILY PROMISE OF BREVARD, INC
STATEMENT OF FINANCIAL POSITION

December 31, 2023

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 786,662
Cash and cash equivalents, restricted	4,303
Accounts receivable	2,630
Grants receivable	<u>191,608</u>

Total current assets 985,203

Contributions receivable, net	1,952,464
Mortgage receivable	39,230
Beneficial interest in quasi-endowment	28,946
Property and equipment, net	<u>1,685,632</u>

Total assets \$ 4,691,475

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 44,595
Accrued expenses	13,463
Other current liabilities	<u>693</u>

Total current liabilities 58,751

NET ASSETS

Without donor restrictions	2,128,781
Without donor restrictions - board designated	384,048
With donor restrictions	<u>2,119,895</u>

Total net assets 4,632,724

Total liabilities and net assets \$ 4,691,475

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

FAMILY PROMISE OF BREVARD, INC.

STATEMENT OF ACTIVITIES

Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Federal grants	\$ 548,802	\$ 128,706	\$ 677,508
State grants	9,776	-	9,776
Corporate grants	95,676	113,624	209,300
Contributions	605,008	2,201	607,209
Special events, net	116,625	-	116,625
Contributions of non-financial assets	179,141	2,054,722	2,233,863
Investment income	10,320	-	10,320
Net assets released from restrictions	<u>527,460</u>	<u>(527,460)</u>	<u>-</u>
Total revenue and support	<u>2,092,808</u>	<u>1,771,793</u>	<u>3,864,601</u>
EXPENSES			
Special program services	321,501	-	321,501
Program services	1,287,431	-	1,287,431
Supporting services	<u>307,612</u>	<u>-</u>	<u>307,612</u>
Total expenses	<u>1,916,544</u>	<u>-</u>	<u>1,916,544</u>
Change in net assets	176,264	1,771,793	1,948,057
Net assets, beginning of year	<u>2,336,565</u>	<u>348,102</u>	<u>2,684,667</u>
Net assets, end of year	<u>\$ 2,512,829</u>	<u>\$ 2,119,895</u>	<u>\$ 4,632,724</u>

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

FAMILY PROMISE OF BREVARD, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2023

	Special Program Services				Program Services				Supporting Services			Total Expenses
	Firehouse Relocation	Elevate Brevard	Community	Special Program Subtotal	Shelter	Stabilization	Prevention	Program Subtotal	Management and General	Fundraising	Supporting Subtotal	
Salaries and benefits	\$ -	\$ 62,395	\$ 34,234	\$ 96,629	\$ 188,854	\$ 130,425	\$ 231,075	\$ 550,354	\$ 36,259	\$ 104,891	\$ 141,150	\$ 788,133
Rent and utilities for families	-	-	-	-	58,297	69,843	240,168	368,308	-	-	-	368,308
Non-financial expenses	7,770	3,974	5,415	17,159	205,877	13,937	28,041	247,855	5,473	10,912	16,385	281,399
Supplies	118,463	2,555	7,360	128,378	18,307	2,427	5,928	26,662	3,277	5,098	8,375	163,415
Depreciation	-	-	36,186	36,186	3,809	31,425	9,523	44,757	11,427	2,857	14,284	95,227
Professional services	-	3,475	-	3,475	-	-	-	-	35,100	14,899	49,999	53,474
Miscellaneous expense	11,024	1,380	238	12,642	-	-	-	-	2,016	29,133	31,149	43,791
Communication	7,880	-	4,251	12,131	10,567	1,418	3,474	15,459	839	1,231	2,070	29,660
License, dues and subscriptions	-	-	3,476	3,476	1,116	3,580	1,563	6,259	1,073	13,088	14,161	23,896
Travel	-	634	3,105	3,739	868	4,921	1,107	6,896	5,713	6,792	12,505	23,140
Insurance	-	-	3,869	3,869	9,672	967	2,902	13,541	967	967	1,934	19,344
Rent and utilities	440	-	3,329	3,769	3,498	2,121	1,541	7,160	950	3,753	4,703	15,632
Advertising	-	48	-	48	60	60	60	180	90	10,807	10,897	11,125
Total expenses	\$ 145,577	\$ 74,461	\$ 101,463	\$ 321,501	\$ 500,925	\$ 261,124	\$ 525,382	\$ 1,287,431	\$ 103,184	\$ 204,428	\$ 307,612	\$ 1,916,544

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

FAMILY PROMISE OF BREVARD, INC.

STATEMENT OF CASH FLOWS

Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 1,948,057
Adjustments to reconcile net increase in net assets to net cash provided by operating activities:	
Depreciation expense	95,227
(Increase) decrease in assets:	
Accounts receivable	218,191
Grants receivable	(184,911)
Contribution receivable	(1,952,464)
Mortgage receivable	(39,230)
Prepaid expenses	3,665
Beneficial interest in quasi-endowment	(3,691)
Increase (decrease) in liabilities:	
Accounts payable	21,653
Accrued expenses	1,964
Other liabilities	693
	<hr/>
Net cash provided by operating activities	109,154
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CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	(266,737)
	<hr/>
Net cash used in investing activities	(266,737)
	<hr/>
Net change in cash, cash equivalents and restricted cash	(157,583)
Cash, cash equivalents and restricted cash and cash equivalents at beginning of year	948,548
	<hr/>
Cash, cash equivalents and restricted cash and cash equivalents at end of year	\$ 790,965
	<hr/> <hr/>
RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS	
Cash and cash equivalents	\$ 786,662
Restricted cash	4,303
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Cash, cash equivalents and restricted cash and cash equivalents at end of year	\$ 790,965
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The accompanying notes are an integral part of these financial statements.

Family Promise of Brevard, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies followed by the Organization is as follows.

1. Nature and Purpose

Family Promise of Brevard, Inc. (the "Organization") was incorporated on August 3, 2007 and is a not-for-profit corporation located in Brevard County within the State of Florida. The Organization's purpose is to promote partnerships that will reduce and prevent homelessness. The Organization is committed to ending family homelessness in Brevard County by collaborating with the community to provide families the support and resources they need to put themselves on a path toward long-term housing stability.

2. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding the U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

3. 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 estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

4. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all cash and other highly-liquid investments available for current use with an initial maturity of 90 days or less to be cash equivalents.

5. Restricted Cash and Cash Equivalents

Cash and cash equivalents has been restricted by donors in the amount of \$4,303 at year end and is not available for general operations. Restricted cash decreased by \$17,058 during the year.

6. Accounts and Grants Receivables

Accounts receivable consist of amounts due from contributions from individuals, foundations, and ticket sales and are recorded when collectible. Grants receivable consist of amount due from federal, state, and local entities and are recorded when services are provided. Based on current and historical experience, management considers all receivables to be fully collectible, and as such, no allowance for uncollectible receivables has been reported on the accompanying statement of financial position as of December 31, 2023. At December 31, 2023, the Organization has recorded accounts receivable in the amount of \$2,630 and grants receivable of \$191,608.

Family Promise of Brevard, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

7. Property, Plant, and Equipment

Fixed assets are recorded at cost. The Organization capitalizes all property greater than \$2,500. Expenses, which materially increase values, change capacities, or extend useful lives are capitalized. Donations of property and equipment are recorded at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is computed on the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Leasehold Improvements	7 - 15
Equipment	5 – 10

8. Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors.

• Net assets without donor restrictions: Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board designated, from net assets without donor restrictions, net assets for an operation reserve and relocation reserve.

• Net assets with donor restrictions: Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. When a restriction is satisfied in the same period as received, it is recorded as without restrictions.

9. Revenue Sources

The Organization receives significant support through federal, state, and local grants. In addition, the Organization receives support from donations from corporations, foundations, and individuals. Lastly, the Organization hosts fundraising events annually to provide awareness to the public, sells tickets to these events, and receives donations related to the fundraising.

Family Promise of Brevard, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. Revenue Recognition

The Organization follows Accounting Standards Update (ASU) 2014-09 Revenue from Contracts with Customers (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied, and ASU 2018-08, Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (ASC 958-605), which clarifies how transactions should be accounted or as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

Ticket sales for special events are recognized as revenue when the event is held. Advance ticket sales are recorded as deferred revenue.

Revenue from government grants is recorded when earned, which is generally when the allowable costs of the specific grant provisions have been incurred or the performance of services rendered.

Contributions are recognized when cash, other assets, and unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions generally do not have a right of return.

Deferred grant revenue represents grant income which has been received by the Organization but has not yet been earned.

11. Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

12. Donated Services and Goods

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) requires specialized skills, are performed by the people with those skills, and would otherwise be purchased by the Organization. Donated goods are recorded at the fair value of the items received. For the year ending, December 31, 2023, the Organization recognized service and donated goods revenue, and recorded \$2,336,121 related to the contributions and corresponding expenses of \$281,399. See Note L for further details.

Volunteers also provide services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met. For the year ending, December 31, 2023, volunteers provided \$194,888 of services for the shelter program that was not recorded in the financial statements.

13. Advertising Costs

Advertising costs are expensed as incurred. The total advertising cost for 2023 was \$11,125.

Family Promise of Brevard, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

14. Functional Allocation of Expenses

Directly identifiable expenses are charged to each programs services, management and general or fundraising. Expenses that are not directly identifiable are allocated to functional area and include equipment, professional services, rent and utilities, repair and maintenance, salaries and benefits, supplies, and travel, which are allocated on the basis of time and effort of staff.

15. Tax Status

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and has been determined to be an organization which is not a private foundation. Contributions to the Organization qualify as charitable contributions.

The Organization utilizes the accounting requirements associated with uncertainty income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 704, Income Taxes. Using the guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, disclosure and transition. As of December 31, 2023, the Organization has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

16. Subsequent Events

Management has evaluated subsequent events through July 12, 2024, the date which the financial statements were made available to be issued, and determined there were no events that occurred that required disclosure.

NOTE B – CONCENTRATION OF CREDIT RISKS

The Organization maintains its cash in deposit accounts in a bank, which is covered by the Federal Deposit Insurance Corporation (FDIC). The FDIC insures the first \$250,000 of balances per depositor per institution. At December 31, 2023, the Organization had an uninsured balance of \$427,735.

During 2023, the Organization received \$677,508 and \$9,776 of federal and state grants, respectively, under cost reimbursement agreements which are designated for specific purposes. Federal and state grants provide 17% of total revenue and support for 2023. Federal and state grant amounts received are subject to audit and adjustment at the discretion of those entities. If expenditures are disallowed as a result of these audits, the claims for reimbursement would be a liability to the Organization.

NOTE C – FINANCIAL ASSETS AND AVAILABILITY OF RESOURCES

The Organization's liquidity management has structured its financial assets to be available for its general expenditures and other obligations that come due. There is an operating reserve established by the Board of Directors that may be drawn upon in event of financial distress or immediate liquidity need upon approval of the Board of Directors. In the event of an unanticipated liquidity need, the Organization also could draw upon the quasi-endowment with a two-third vote by the Board.

Family Promise of Brevard, Inc.
NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE C – FINANCIAL ASSETS AND AVAILABILITY OF RESOURCES (continued)

Financial Assets at December 31, 2023:	\$	4,800,959
Less those not available for general expenditures within one year, due to:		
Mortgage receivable		(39,230)
Property and equipment, net		(1,685,632)
Restricted by donors with purpose restrictions		(2,229,379)
Board Designations:		
Quasi-endowment fund, primarily for long-term investing		(28,946)
Operating reserve		(355,102)
		(394,259)
Financial assets available to meet cash needs for general expenditures due within one year	\$	462,670

NOTE D – RELATED PARTIES

During 2023, the Organization purchased printing and mailing services from a company of a Board member's employer in the amount of \$5,888. The Organization also purchased cleaning services from a Board member's company in the amount of \$22,302. As of December 31, 2023, \$2,478 is due to related parties and is recognized within accounts payable.

NOTE E – PROPERTY AND EQUIPMENT

At December 31, 2023 consists of the following:

Leasehold Improvements	\$	1,663,174
Furniture and equipment		109,139
Signs		8,546
Less accumulated depreciation		(95,227)
Property and equipment, net	\$	1,685,632

On August 27, 2021, the Organization entered into a facility lease agreement to achieve long-term housing stability for its programs. The facility has an effective 20-year term with payments of \$1 per year (See Note I). In 2022, in order to bring the facility into operational conditions, the Organization was approved for a reimbursable grant for \$1.4 million to renovate the facility. The Organization has been fully reimbursed for its grant expenditures for renovation and relocation. As of December 31, 2023, \$1,663,174 has been capitalized related to the firehouse renovation, which is included in leasehold improvements. Depreciation expense for 2023 was \$95,227.

NOTE F – MORTGAGE RECEIVABLE

In February 2023, the Organization was assigned a mortgage receivable totaling \$43,136 from the original mortgagee and recorded a mortgage receivable and contribution revenue in the 2023 financial statements for this transaction. The original mortgagor is making monthly mortgage payments totaling \$670 to the Organization. At December 31, 2023, the balance of the mortgage receivable totaled \$39,230. If the mortgagor defaults on the mortgage, the Organization will receive title of the property, which has a fair market value of approximately \$160,900 based on a 2023 appraisal.

Family Promise of Brevard, Inc.
NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2023, net assets were comprised of the following:

Subject to expenditure for specified purpose:	
Firehouse lease	\$ 1,952,464
Stabilization program	56,025
Shelter program	38,541
Elevate Brevard	32,951
Prevention program	35,906
Operations	4,008
Total net assets with donor restrictions	<u>\$ 2,119,895</u>

The following net assets were released from restrictions during the year ended December 31, 2023:

Purpose:	
Firehouse relocation	205,373
Operations	135,990
Prevention	101,841
Stabilization	25,024
Shelter	21,031
Elevate Brevard	38,201
Net assets released from restrictions	<u>\$ 527,460</u>

NOTE H – BOARD DESIGNATIONS

The Board of Directors of the Organization has established an operating reserve with the objective of setting funds aside to be drawn upon in the event of financial distress or an immediate liquidity need. The operating reserve is set at approximately three months of prior fiscal years expenses. At December 31, 2023, the operating reserve balance totaled \$355,102.

The Board of Directors of the Organization has also designated funds for the quasi-endowment to be long-term investments. The Board designated net assets for the quasi-endowment totaling \$28,946 as of December 31, 2023 (See Note K).

NOTE I – LEASE

The Organization leases the firehouse building on which they operate from the City of Cocoa, Florida for one dollar per year. The lease was assigned to the Organization in 2021 and has a term of 20 years.

During 2023, the Organization recorded a contribution of non-financial assets in accordance with ASC 606, Revenue, and recognized the non-financial asset in part of its adoption of ASC 842, Leases. The Organization recorded a contribution of non-financial assets and a corresponding receivable of \$2,054,722 for the fair market value (FMV) of the lease based on market rents in the area, which is \$136,344 per year. The FMV was discounted using a rate of 2.247% which was the applicable federal rate. For 2023, \$102,258 was released from restrictions and recorded as in-kind revenue and expense in the financial statements.

Family Promise of Brevard, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE J – SPECIAL EVENT REVENUE

The Organization is recognizing revenue as the performance obligations are met at a point in time for its special event revenue. A summary of disaggregated ticket revenue information for the year ended December 31, 2023 follows:

Emerald City	\$ 11,068
The Big Brunch	11,536
Golf Tournament	23,283
Total ticket revenues	<u>45,887</u>
Sponsorship revenues	146,379
Special events revenues	<u>192,266</u>
Less special event expenses	(75,641)
Special events revenues, net	<u><u>\$ 116,625</u></u>

The Organization's customers are primarily business and the general public.

NOTE K – QUASI-ENDOWMENT

In 2017, The Organization's Board of Directors designated funds of \$10,250 for the quasi-endowment, which were subsequently deposited into the Community Foundation of Brevard, Inc. In 2018, the Organization's board of directors designated another \$10,000 to be moved into the quasi-endowment. All of the accumulated investment gains are without donor restrictions. The Organization can withdraw its contributions with a two-third vote by the Organization's Board. The Community Foundation has variance power over the funds while they are invested.

The Board's spending policy is that all the earnings will be voted on annually if they are to be spent or reinvested, and they expected a 5% annual rate of return. Investment activity for the year ended December 31, 2023 are as follows:

	With Donor Restrictions	Accumulated Earnings	Total Quasi- Endowment
Beginning balance - January 1, 2023	\$ 20,250	\$ 5,005	\$ 25,255
Investment returns, net	-	3,691	3,691
Ending Balance - December 31, 2023	<u>\$ 20,250</u>	<u>\$ 8,696</u>	<u>\$ 28,946</u>

NOTE L – CONTRIBUTED NON-FINANCIAL ASSETS (IN KIND REVENUE)

Donated goods include groceries, cleaning supplies, and other household items for program purposes. Other donated services include clinical hours and meals provided for families. For 2023, contributed non-financial assets recognized within the statements of activities included:

Firehouse lease	\$ 2,054,722
Meals for families	79,005
Household items	45,514
Intern hours clinical	16,490
Hotel/Transportation	11,424
Gift cards and Groceries	5,242
Other	21,466
	<u><u>\$ 2,233,863</u></u>

Family Promise of Brevard, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

NOTE L – CONTRIBUTED NON-FINANCIAL ASSETS (IN KIND REVENUE) (continued)

Also, included in contribution revenue for 2023 are in-kind revenues of \$102,258 from the firehouse lease. As of 2023, there were no restrictions for the donated assets. The firehouse lease, however, is a restricted in-kind contribution that is released on a yearly basis. For future releases of revenue from restrictions, the amounts are as follows:

Year ending December 31:

2024	\$	136,344
2025		136,344
2026		136,344
2027		136,344
2028		136,344
Thereafter		1,727,024
		<u>\$ 2,408,744</u>

NOTE M – COMMITMENTS AND CONTINGENCIES

During 2021 and 2022, the Organization entered into cost reimbursement agreements with Brevard Homeless Coalition, Inc. (BHC) expiring through June 30, 2023. The agreements include awards for coronavirus and homeless activities, emergency shelter activities, rapid rehousing activities, approved renovations, service activities, financial assistance, and case management. The largest component of the agreement includes renovations for up to \$1,273,570, which the Organization has used for the construction of a firehouse. As of 2023, the renovations are complete and the firehouse office is under use.

Under the agreements, the Organization must perform community services outlined in the agreements for up to one year. In addition, renovations to the Organization's firehouse qualifies the structure as a permanent homeless shelter and is subject to a minimum period of use. Minimum period of use requires continued operation of the structure as a shelter for homeless individuals or families for minimum periods of three to ten years.