

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.**  
*(Non-Profit Organization)*

**FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION**  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016

LIGGETT & WEBB, P.A.  
CERTIFIED PUBLIC ACCOUNTANTS

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors of the Pride Center at Equality Park  
Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.  
Wilton Manors, Florida

### **Report on Financial Statements**

We have audited the accompanying financial statements of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc., which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, and cash flows for the years ended June 30, 2017 and June 30, 2016 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.

### **Auditors 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 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

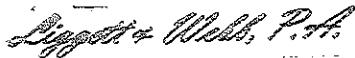
In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc., as of June 30, 2017 and 2016 and the changes in the net assets and its cash flows for the years ended June 30, 2017 and June 30, 2016 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 awards, as 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 the Government Auditing Standards, we have also issued our report dated December 29, 2017 on our consideration of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc., 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 the testing, and not to provide an opinion on internal control over financial reporting or on compliance. The report is an integral part of the audit performed in accordance with Government Auditing Standards in considering The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc., internal control over financial reporting and compliance.



LIGGETT & WEBB, P.A.  
*Certified Public Accountants*  
December 29, 2017

**THE PRIDE CENTER AT EQUALITY PARK  
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

*Statement of Financial Position*

	<u>As of June 30, 2017</u>	<u>As of June 30, 2016</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 742,099	\$ 765,911
Unconditional promises and accounts receivable, less allowance for doubtful accounts	102,264	92,002
Grants receivable	73,192	108,667
Property and equipment, net	5,238,243	5,315,673
Prepaid expenses	38,842	45,444
Deferred loan costs, net	5,487	6,401
Utility and other deposits	4,513	4,613
<b>TOTAL ASSETS</b>	<u>6,204,640</u>	<u>6,338,711</u>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and accrued expenses	\$ 74,538	\$ 54,842
Notes payable, member	25,000	25,000
Mortgage payable	2,802,023	2,914,184
Deferred revenues, membership dues and grants	5,679	-
<b>TOTAL LIABILITIES</b>	<u>2,907,240</u>	<u>2,994,026</u>
<b>COMMITMENTS AND CONTINGENCIES</b>		
Unrestricted	3,110,033	3,229,383
Temporarily restricted	187,367	115,302
Permanently restricted	-	-
<b>TOTAL NET ASSETS</b>	<u>3,297,400</u>	<u>3,344,685</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 6,204,640</u>	<u>\$ 6,338,711</u>

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

**THE PRIDE CENTER AT EQUALITY PARK  
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

*Statement of Activities*

	<b>For the year ended June 30, 2017</b>	<b>For the year ended June 30, 2016</b>
<b>UNRESTRICTED REVENUES AND OTHER SUPPORT</b>		
Founders and members' dues and contributions	\$ 497,114	\$ 774,267
Facility usage fees and rental income	171,034	151,537
Grant contracts	218,874	372,071
Government grant contracts	864,377	860,000
Special events	216,047	176,664
Other income	24,358	17,834
Investment income	26,235	27,563
Total unrestricted revenues and support	2,018,039	2,379,936
Net assets released from restriction	-	156,581
Total Revenues	2,018,039	2,536,517
 <b>EXPENSES</b>		
Program Services	1,449,538	1,590,658
Management and general	309,079	233,035
Fundraising	306,707	306,276
Total Expenses	2,065,324	2,129,969
Increase (Decrease) in unrestricted net assets	(47,285)	406,548
 <b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Net assets increased (released) from restrictions	-	(156,581)
Increase (Decrease) in temporarily restricted net assets	-	(156,581)
Increase (Decrease) in net assets	(47,285)	249,967
 <b>NET ASSETS</b>		
Beginning of period	3,344,685	3,094,718
End of period	\$ 3,297,400	\$ 3,344,685

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

**THE PRIDE CENTER AT EQUALITY PARK  
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

*Statement of Cash Flows*

	<b>For the year ended June 30, 2017</b>	<b>For the year ended June 30, 2016</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Decrease in net assets	\$ (47,285)	\$ 249,968
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	111,035	106,840
Provision for doubtful accounts	29,466	30,704
(Increase) decrease in operating assets and liabilities		
Unconditional promises to give and accounts receivable	(39,728)	(42,003)
Grants receivable	35,475	(37,000)
Prepaid expenses and deferred costs	7,515	(6,073)
Utility and other deposits	100	-
Accounts payable and accrued expenses	19,697	(11,278)
Deferred Revenue	5,679	-
Net cash provided by operating activities	121,954	291,158
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(33,605)	(103,819)
Net cash used in investing activities	(33,605)	(103,819)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payments on mortgage	(112,161)	(108,327)
Net cash used in financing activities	(112,161)	(108,327)
Net decrease in cash and cash equivalents	(23,812)	79,012
Cash and cash equivalents at the beginning of year	765,911	686,899
Cash and cash equivalents at the end of year	\$ 742,099	\$ 765,911
 Supplemental Information:		
Cash paid for interest		
Interest paid	\$ 92,896	\$ 100,840
Income taxes paid	\$ -	\$ -

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

**THE PRIDE CENTER AT EQUALITY PARK  
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

*Statement of Functional Expenses  
For the Year ended June 30, 2017*

	DOH Testing	CODMT	Artas	MSM	KiKi	Other Programs	Community Center	Total			
								Program Expense	Fundraising		
Salaries	\$ 111,138	\$201,936	\$ 92,407	\$ 68,353	\$ 63,345	\$132,662	\$ 65,436	\$ 735,277	\$ 186,294	\$ 171,321	\$ 1,092,892
Payroll taxes	9,291	15,624	7,325	5,347	5,158	9,645	9,702	62,092	16,968	14,224	93,284
Employee Benefits	13,658	35,596	7,231	6,619	8,566	13,234	7,003	91,907	13,548	7,003	112,458
Advertising and Community Relations	340	11,043	-	202	25	37,519	13,974	63,103	4,362	8,297	75,762
Bank and Credit Card Charges	-	-	-	-	-	422	-	422	139	338	899
Program Supplies and Expenses	13,695	26,645	10,193	4,178	8,768	32,965	1,254	97,698	5,989	249	103,936
Postage	172	59	65	66	54	847	-	1,263	395	1,978	3,636
Newsletter Printing and Production	-	-	-	-	-	1,484	-	1,484	1,483	2,189	5,156
Telephone	2,777	2,788	966	634	1,461	7,262	-	15,888	1,200	500	17,588
Utilities	3,472	5,984	3,125	2,426	1,736	12,315	23,741	52,799	11,870	11,869	76,538
Building Repairs and Maintenance	-	-	-	590	422	12,846	48,070	61,928	24,568	21,817	108,313
Security	1,755	3,081	1,579	1,271	915	5,647	2,605	16,853	1,403	1,301	19,557
Taxes Licenses and Fees	150	-	100	-	-	-	-	250	3,818	-	4,068
Insurance	11,144	12,434	7,101	5,570	4,441	18,071	6,246	65,007	8,544	6,247	79,798
Interest	9,289	15,792	8,360	6,502	5,573	13,939	9,289	68,744	10,218	13,934	92,896
Professional Fees	1,650	2,426	1,485	1,062	885	8,550	-	16,058	4,410	12,960	33,428
Depreciation	11,223	19,079	10,101	7,856	6,734	33,670	-	88,663	8,982	14,590	112,235
Bad Debt	-	-	-	-	-	-	-	-	-	13,150	13,150
Office	-	-	-	-	-	8,477	1,625	10,102	4,888	4,740	19,730
	\$ 189,754	\$352,487	\$150,038	\$110,676	\$108,083	\$349,555	\$ 188,945	\$ 1,449,538	\$ 309,079	\$ 306,707	\$ 2,065,324

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



**THE PRIDE CENTER AT EQUALITY PARK**  
**GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**  
*Statement of Functional Expenses*  
*For the Year ended June 30, 2016*

DOH	PALS	Artas	MSM	KiKi	Seniors, PrEP, Womens	Couples, Speak, Navigator	Communit y Center Activity	Total Program Expense	Management Fundraising	TOTAL	
Salaries	\$ 104,108	\$ 209,642	\$ 102,199	\$ 72,361	\$ 64,191	\$ 62,783	\$ 130,151	\$ 863,054	\$ 110,391	\$ 143,730	\$ 1,117,175
Payroll taxes	8,352	16,349	8,122	5,633	5,431	4,471	16,138	74,122	11,060	11,275	96,457
Employee Benefits	8,640	36,828	11,098	6,078	3,440	11,099	6,485	94,217	3,408	6,836	104,461
Advertising and Community Relations	1,800	2,300	900	1,500	3,275	14,243	11,242	35,260	8,081	4,251	47,592
Bank and Credit Card Charges	-	-	-	-	-	-	-	-	1,137	2,487	3,624
Program Supplies and Expenses	25,563	52,670	11,490	6,542	16,556	5,627	3,996	146,740	3,554	16,650	166,944
Postage	-	-	-	-	-	-	-	-	1,996	2,150	4,146
Newsletter Printing and Production	-	-	-	-	-	-	808	808	3,236	3,544	7,588
Telephone	2,088	716	819	278	329	795	872	6,914	1,743	2,072	10,729
Utilities	3,426	6,165	3,083	2,401	2,058	6,859	24,079	58,265	8,783	8,784	75,832
Building Repairs and Maintenance	-	-	-	-	-	5,474	46,365	51,839	23,819	22,932	98,590
Security	1,670	3,106	1,503	1,169	1,002	3,210	1,067	17,326	1,067	600	18,993
Taxes Licenses and Fees	325	325	-	-	-	-	-	650	7,287	350	8,287
Insurance	11,260	14,420	7,767	7,107	4,285	8,011	8,908	69,769	13,206	7,599	90,574
Interest	9,582	17,247	8,623	6,707	4,791	9,582	6,707	74,736	9,582	11,498	95,816
Professional Fees	1,650	1,650	1,650	1,155	825	4,000	-	13,623	14,001	17,993	45,617
Depreciation	10,684	19,231	9,616	7,479	5,342	10,684	7,479	83,335	10,684	12,821	106,840
Bad Debt	-	-	-	-	-	-	-	-	-	30,704	30,704
	\$ 189,148	\$ 380,649	\$ 166,870	\$ 118,410	\$ 111,525	\$ 127,121	\$ 264,297	\$ 1,590,658	\$ 233,035	\$ 306,276	\$ 2,129,969

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

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016**

**NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES**

**Nature of Activities**

The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc. ("The Pride Center") is a Florida nonprofit public charity incorporated on June 25, 1993. In 2008, The Pride Center purchased property in and relocated to Wilton Manors, Florida. The property includes approximately 38,000 square feet of office and warehouse space located on six acres of land housing its corporate offices and program services. The Pride Center rents office and warehouse space to other non-profit organizations on a short-term and long-term basis.

The Pride Center provides meeting space and other facilities for groups and organizations that fulfill educational, therapeutic, cultural, social, recreational and other needs of the LGBT community of Broward County. The Pride Center strives to foster, create or sponsor programs to fulfill the purposes, as needed specifically by youth, elderly, and minority groups within the LGBT community. The Pride Center's purpose includes improving the quality of life for and enhancing a sense of unity and communication within the LGBT community of Broward County.

The Pride Center's source of funds is primarily from contributions, Federal and Florida grant contracts, fundraising events, membership dues, facility usage fees and rent.

**Basis of Accounting and Presentation**

The Pride Center prepares its financial statements in accordance with generally accepted accounting principles and on the accrual basis of accounting. Accordingly, revenues and gains are recognized when earned and expenses, losses and liabilities are recognized when incurred.

Financial statement presentation follows the Financial Accounting Standards Board Accounting Standards Codification (ASC) No. 958, *Not-for-Profit Entities*. Under FASB ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Restricted and Unrestricted Revenue and Support**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/ or nature of any donor restrictions. Contributed goods and services are recorded as contributions at their estimated fair value at date of receipt.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
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NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016**

reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Cash and Cash Equivalents**

For the purposes of the Statements of Cash Flows, The Pride Center considers certificates of deposit and all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Advertising**

The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc. ("The Pride Center") uses advertising to promote its programs to the community it serves. The production costs of advertising are expensed as incurred. Advertising costs totaled \$75,762 and \$47,592 for the years ended June 30, 2017 and 2016, respectively.

**Grant and Contract Revenue**

Grant and contract revenue is recognized when the allowable costs as defined by the individual grant or contract are incurred and/or the unit of service has been provided. Grants receivable at year-end represent allowable expenditures and/or units of service provided which have not yet been reimbursed by the granting agency.

**Deferred Revenue**

Income received in advance from grants and fundraising events are deferred and recognized over the periods to which the income relates.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles include the use of estimates that affect the financial statements. Accordingly, actual results could vary from the estimates that management uses.

**Property, Equipment, and Depreciation**

Property and equipment are stated at cost or, if donated, at the approximate fair value at the date of donation. Acquisitions of property and equipment in excess of \$500 are capitalized. Depreciation is being calculated by use of the straight-line method over the estimated useful lives of the related assets, which vary from 3- 39 years.

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized. When assets are retired or otherwise disposed of, the cost or donated value and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period.

**Functional Allocation of Expenses**

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016**

**Donated Services**

No amounts have been reflected in the financial statements for donated services. The Pride Center pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist The Pride Center with specific assistance programs, campaign solicitations, and various committee assignments. The Pride Center receives more than 21,000 volunteer hours per year.

**Accounting for Long-Lived Assets**

The Pride Center records losses on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets carrying amount.

**Promises to Give**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions.

When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets. The Organization uses the allowance method to determine the estimated unconditional promises receivable that are doubtful of collection. The allowance is based on prior years' experience and management's analysis of specific promises made. Promises to give, less an allowance for uncollectible amounts, are discounted to reflect the time value of money.

**Income Taxes**

The Pride Center is a nonprofit organization exempt from federal income taxes under Internal Revenue Code Section 501(c) (3). However, if income from certain activities not directly related to the Organization's tax-exempt purpose were received, it would be subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organizations' tax returns for the years 2011-2016 remain open to Internal Revenue Service's Audit. Accordingly, no provision for federal income taxes has been made.

**NOTE 2 - FACILITY RENTAL INCOME**

The Pride Center offers office and operating space to unrelated non-profit entities in its 2040 Dixie Highway buildings located in Wilton Manors, Florida.

Eight lease agreements have been entered into expiring at various dates through September 2018. All leases provide cost of living or annual percentage rental increases.

Future minimum payments to be received under these non-cancelable lease agreements for the next five years are as follows:

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016**

<u>FY Years Ended June 30<sup>th</sup>:</u>	
2018	\$95,650
2019	44,025
2020	21,800
2021	-
2022 and thereafter	-
Total	<u>\$161,475</u>

**NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS**

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: *Level 1* inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; *Level 2* inputs consist of other than quoted prices included within Level 1 that are observable for the investments, either directly or indirectly; and *Level 3* inputs that are unobservable inputs for the investments and have the lowest priority. The Pride Center uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

Unrestricted investment income at June 30<sup>th</sup> consists of:

	<u>Year ended 2017</u>	<u>Year ended 2016</u>
Interest	\$ 157	\$ 1,012

**NOTE 4 - COMMUNITY FOUNDATION, GRANT AND DESIGNATED FUNDS**

The Pride Center has entered into two grant and agency endowment agreements with the Community Foundation of Broward, Inc. ("Foundation"). The agreement entered into on December 1, 2000 between the Foundation and Gilbert Corwin ("Donor") created the fund "*Gay and Lesbian Community Center of South Florida Fund*". The second agreement, entered into on February 25, 2002 created the fund "*GLCC Unrestricted Endowment Fund*" and is referred to by the Foundation as the Kresge Challenge.

Additional contributions may be made to these two Funds at any time. Contributions are considered permanent and are held and administered solely by the Foundation and therefore are classified as a Permanently Restricted Fund of the Foundation. All contributions come from third parties and the Foundation recognizes the value of gifts received as assets and contribution revenue. It is the general policy of the Foundation to make distributions of investment income from these funds at least annually to the Pride Center. These distributions are unrestricted as to their use. In 2017 and 2016, The Pride Center received \$26,078 and \$26,556, respectively from the Funds and the fund balance (in both Funds as recorded by the Foundation) at June 30, 2017 and 2016 was \$520,250 and \$485,777, respectively.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016**

**NOTE 5 - PROPERTY AND EQUIPMENT**

Property and equipment, net, consists of the following at June 30<sup>th</sup>:

	<u>2017</u>	<u>2016</u>
Equipment and telephone system	\$ 67,488	\$ 43,805
Furniture and Fixtures	64,535	307,859
Computer equipment	33,555	32,255
Building	2,517,500	2,517,500
Building improvements	1,253,162	1,000,016
Land	<u>2,232,500</u>	<u>2,232,500</u>
	6,168,740	6,133,935
Less accumulated depreciation	<u>(930,497)</u>	<u>(818,262)</u>
	<u>\$ 5,238,243</u>	<u>\$ 5,315,673</u>

The Pride Center opened their Equality Park location during February 2010, at which time all costs of Construction in Progress were classified as Building and Building Improvements and became depreciable at that time. Depreciation expense for the years ended June 30, 2017 and June 30, 2016 was \$112,235 and \$106,744, respectively.

**NOTE 6 - SPECIAL EVENTS**

Special events contribute to the fund-raising efforts of The Pride Center.

The following is a summary of the receipts and expenses associated with Special events for the year ended June 30, 2017:

<u>Event</u>	<u>Receipts</u>	<u>Direct Expenses</u>	<u>Net Revenue</u>
Wicked Manors	\$ 116,593	\$ 62,425	\$ 54,168
Flea Market	37,569	5,763	31,806
AIDS Walk	61,560	2,718	58,842
5K Rainbow Run	34,225	14,794	19,431
Diversity Honors Gala	52,123	19,496	32,627
Bingo	22,198	9,567	12,631
Other	13,835	7,293	6,542
Total	<u>\$ 338,103</u>	<u>\$ 122,056</u>	<u>\$ 216,047</u>

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016**

Special events for the year ended June 30, 2016 were as follows:

Event	Receipts	Direct Expenses	Net Revenue
Wicked Manors	\$ 121,465	\$ 83,246	\$ 38,219
Flea Market	43,962	8,587	35,375
AIDS Walk	48,338	1,609	46,729
Bingo	16,616	3,784	12,832
Other	48,519	5,010	43,509
Total	<u>\$ 278,900</u>	<u>\$ 102,236</u>	<u>\$ 176,664</u>

**NOTE 7 – ASSISTANCE FROM GOVERNMENTAL AGENCIES**

The following details the reimbursements and receipts from governmental agencies for the years ended June 30, 2017 and June 30, 2016, respectively:

Federal Financial Assistance	2017	2016
<b>Pass-through State programs from:</b>		
Florida Department of Health		
BW262	\$ 100,000	\$ 100,000
BW380/CODMT	340,077	350,000
BW373	160,000	160,000
BW381	150,000	150,000
BW459	100,000	100,000
BW613	14,300	-
<b>Grand Total</b>	<u>\$ 864,377</u>	<u>\$ 860,000</u>

**State of Florida**

The Pride Center provides HIV Prevention Services for individuals who may be at high risk of acquiring or transmitting HIV infection regardless of race or ethnicity. The objectives are to decrease risk behavior and to reduce transmission of HIV/STD through individual risk-reduction planning and reducing barriers to successful behavioral change.

The Pride Center has entered into six (6) contracts with the State of Florida, Department of Health: BW262, BW373, BW380/COMDT, BW381, BW613 AND BW459. The major program goals are to prevent spread of HIV infection, enhance HIV/AIDS awareness, HIV minority testing and teach risk-reduction methods as defined in the contracts.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016**

**NOTE 8 – RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets are available for the following purposes as of June 30<sup>th</sup>:

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Usage</u>	<u>Balance June 30, 2017</u>
Mortgage Payments	\$ 115,302	\$ 72,065	\$ -	\$ 187,367

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Usage</u>	<u>Balance June 30, 2016</u>
Mortgage Payments	\$ 271,883	\$ -	\$ (156,581)	\$ 115,302

**NOTE 9 – MORTGAGE PAYABLE**

In 2008, The Pride Center purchased property located in Wilton Manors, Florida of approximately 38,000 square feet of office/warehouse space located on approximately 6 acres of land for \$4,750,000. In connection with the purchase of the property, The Pride Center entered into a secured mortgage promissory note with a financial institution in the amount of \$3,325,000.

Effective May 22, 2013, the Center refinanced the mortgage note payable monthly at \$17,088 with a principal balance of \$3,220,946 at an initial rate of 3.2% through May 22, 2018 and at the lenders cost of funds for 5 years adjustable rate plus 200 basis points through the maturity date of May 22, 2023. The mortgage is guaranteed by all the real property at the Organization.

Maturities of the mortgage note for years after 2017 are as follows:

2018	\$ 117,921
2019	121,750
2020	125,704
2021	129,786
2022	134,001
2023 and thereafter	2,172,861
	<u>\$ 2,802,023</u>



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016**

**NOTE 10 – NOTES PAYABLE**

**Members**

The Pride Center entered into a one-year note payable agreement with an individual member dated September 25, 2009 for \$25,000, with interest at 5%. The note was uncollateralized and funds were used for working capital. As of June 30, 2017, \$25,000 of principal remains outstanding.

**NOTE 11 - CONCENTRATIONS**

The Organization receives 41% of its support from grants administered by a State agency. Changes in governmental appropriations could have a material adverse effect on the Organization's ability to continue to provide its services at the same level. In addition, as of June 30, 2017 the Organization has a cash concentration of \$390,679 in excess of the 2017 FDIC limit.

**NOTE 12 - PROMISES TO GIVE AND TEMPORARILY RESTRICTED NET ASSETS**

The balances of unconditional promises to give are as follows as of June 30, 2017 and 2016, respectively:

	<u>2017</u>	<u>2016</u>
Less than one year	\$ 96,404	\$ 84,552
One to two years	5,860	7,450
Less: Allowance for doubtful accounts	-	-
Net Promises to Give	<u>\$ 102,264</u>	<u>\$ 92,002</u>

At June 30, 2017 and 2016, promises to give includes \$102,264 and \$92,002, respectively, primarily from pledges from Pride Center's founders. These promises to give are collected through monthly payments throughout the year.

**NOTE 13 - DATE OF MANAGEMENT'S REVIEW**

In preparing the financial statements, The Pride Center has evaluated events and transactions for potential recognition or disclosure through December 29, 2017, the date the financial statements were available to be issued.

THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2017

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of The Pride Center at Equality Park and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
 OF GREATER FORT LAUDERDALE, INC.  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED JUNE 30, 2017**

State Agency, Pass- Through Grantor, Program Title	CFDA # No.	Contract / Grant Number	Expenditures
Florida Department of Health:			
Expanded Testing Initiative	*	93.940	\$ 160,000
HIP LIFE (Learning Immune Function Enhancement) and Healthy Relationships	*	93.940	340,077
HIV Prevention targeting Communities of Color		93.940	100,000
HIV Prevention; ARTAS Program; VOICES HIV Prevention;		93.940	150,000
Social Media Campaign		93.940	100,000
HEP-C Testing		93.940	14,300
Total Expenditures of Federal Awards			\$ 864,377

\* Denotes a major program

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2016**

State Agency, Pass-Through Grantor, Program Title	CFDA No.	Contract / Grant Number	Expenditures
Florida Department of Health:			
Expanded Testing Initiative	*	93.940	160,000
HIP LIFE (Learning Immune Function Enhancement) and Healthy Relationships	*	93.940	350,000
HIV Prevention targeting Communities of Color	93.940	BW459	100,000
HIV Prevention; ARTAS Program; VOICES	93.940	BW381	150,000
HIV Prevention; Social Media Campaign	93.940	BW603	100,000
Total Expenditures of Federal Awards			<u>\$ 860,000</u>

\*Denotes a major program

INTERNAL CONTROLS  
AND  
COMPLIANCE

**Independent Auditors' 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**

To Board of Directors of the Pride Center at Equality Park  
Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.  
Wilton Manors, 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 The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 29, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'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 The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'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 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 as 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 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 The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'s financial statements are free from 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 Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'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 Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'s internal control and compliance. According, this communication is not suitable for any other purpose.

*Liggett & Webb, P.A.*

LIGGETT & WEBB, P.A.  
Certified Public Accountants  
Boynton Beach, Florida  
December 29, 2017

**Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards**

To Board of Directors of the Pride Center at Equality Park  
Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.  
Wilton Manors, Florida

**Report on Compliance for Each Major Federal Program**

We have audited The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc. (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2017. The Organization's major federal programs are identified in summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grant applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs 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). 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 the Organization'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 the Organization's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the Organization 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 for the year ended June 30, 2017.



**Report on Internal Control Over Compliance**

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program 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 to test and report on internal control over compliance in accordance with the 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 the Organization'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 on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 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.

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 the testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Liggett & Webb, P.A.*

LIGGETT & WEBB, P.A.  
*Certified Public Accountants*  
Boynton Beach, Florida  
December 29, 2017

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
MAJOR FEDERAL AWARD PROGRAMS  
YEAR ENDED JUNE 30, 2017**

**I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditor's report issued: **Unqualified**

Internal control over financial reporting:

Material weakness(s) identified \_\_\_\_\_ Yes \_\_\_\_\_ X No

Significant deficiency(s) identified that are  
not considered to be material weakness(s) \_\_\_\_\_ Yes \_\_\_\_\_ X No

Noncompliance material to financial statements noted \_\_\_\_\_ Yes \_\_\_\_\_ X No

**Federal Financial Assistance**

Internal control over major programs:

Material weakness(s) identified \_\_\_\_\_ Yes \_\_\_\_\_ X No

Significant deficiency(s) identified that are  
not considered to be material weakness(s) \_\_\_\_\_ Yes \_\_\_\_\_ X No

Type of auditor's report issued on compliance for major programs: **Unqualified**

Any audit findings disclosed that are required  
to be reported in accordance with CFR \_\_\_\_\_ Yes \_\_\_\_\_ X No  
200.516(a) or Chapter 10.650

Identification of major programs:

**Federal Awards**

Number	Name of State Program or Cluster
93.940	Organizations Florida Department of Health: L.I.F.E. and Healthy Relationships
93.940	Organizations Florida Department of Health: Expanded Testing Initiative

Dollar threshold used to distinguish between type

A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee \_\_\_\_\_ X Yes \_\_\_\_\_ No

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
MAJOR FEDERAL AWARD PROGRAMS  
YEAR ENDED JUNE 30, 2017**

**II – FINANCIAL STATEMENT FINDINGS**

No matters reported.

**III - FINDINGS AND QUESTIONED COSTS FOR MAJOR FEDERAL AWARD PROGRAMS  
AUDIT**

No matters reported.

**IV - OTHER ISSUES**

The prior year single audit disclosed the following findings in the Schedule of Findings and Questioned Costs- Major Federal Award Programs.

NONE

The prior year finding and questioned costs – Major Federal Award Programs.

NONE

A separate management letter was not issued because there were no findings required to be reported in the management letter.