

**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, 2022 AND JUNE 30, 2021

LIGGETT & WEBB, P.A.  
CERTIFIED PUBLIC ACCOUNTANTS

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
TABLE OF CONTENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

INDEPENDENT AUDITORS' REPORT.....	1-2
FINANCIAL STATEMENTS:	
Statements of Financial Position .....	3
Statements of Activities .....	4
Statements of Cash Flows .....	5
Statement of Functional Expenses.....	6-7
Notes to Financial Statements .....	8-20

## **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

### **Opinion**

We have audited the accompanying 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, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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, 2022 and 2021, and the changes in its net assets and its cash flows for the years 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 The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, 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 The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, 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, including omissions, 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.

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 The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, 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 The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, 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.

*Liggett & Webb, P.A.*

LIGGETT & WEBB, P.A.  
*Certified Public Accountants*  
April 25, 2023

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

*Statement of Financial Position*

	<u>As of June 30, 2022</u>	<u>As of June 30, 2021</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,051,249	\$ 1,851,594
Investments	487,750	572,111
Unconditional promises and accounts receivable, less allowance for doubtful accounts	48,444	12,763
Grants receivable	58,333	28,707
Prepaid expenses	22,878	22,878
Utility and other deposits	10,034	10,034
Deferred lease costs	11,636	11,824
Property and equipment, net	<u>4,892,634</u>	<u>5,000,353</u>
<b>TOTAL ASSETS</b>	<u>\$ 7,582,958</u>	<u>\$ 7,510,264</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and accrued expenses	\$ 85,803	\$ 91,652
Deferred lease revenues	509,468	484,616
PPP Loan Payable	-	11,073
Mortgage payable, net	<u>2,395,171</u>	<u>2,466,818</u>
<b>TOTAL LIABILITIES</b>	2,990,442	3,054,159
 <b>COMMITMENTS AND CONTINGENCIES</b>		
	-	-
Without Donor Restrictions	4,063,804	4,161,265
With Donor Restrictions	<u>528,712</u>	<u>294,840</u>
<b>TOTAL NET ASSETS</b>	<u>4,592,516</u>	<u>4,456,105</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <u>\$ 7,582,958</u>	 <u>\$ 7,510,264</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*

	For the year ended June 30, 2022			For the year ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Public Support, Revenues and Reclassifications</b>						
Founders and members' dues and contributions	\$ 374,982	\$ 454,385	\$ 829,367	\$ 873,018	\$ 261,233	\$ 1,134,251
Facility usage fees and rental income	299,321	-	299,321	253,288	-	253,288
Grant contracts	355,003	-	355,003	154,340	-	154,340
Government grant contracts	341,440	-	341,440	341,330	-	341,330
Special events, net	281,179	-	281,179	267,976	-	267,976
Other income	23,070	-	23,070	38,348	-	38,348
Investment income (loss)	(49,978)	-	(49,978)	97,106	-	97,106
Net assets released from restrictions						
Satisfaction of purpose restrictions	220,513	(220,513)	-	189,489	(189,489)	-
<b>Total public support, revenues     and reclassifications</b>	<b>1,845,530</b>	<b>233,872</b>	<b>2,079,402</b>	<b>2,214,895</b>	<b>71,744</b>	<b>2,286,639</b>
<b>Expenses</b>						
Program Services	1,421,601	-	1,421,601	1,300,535	-	1,300,535
Management and General	200,651	-	200,651	178,759	-	178,759
Fundraising	320,739	-	320,739	374,742	-	374,742
<b>Total expenses</b>	<b>1,942,991</b>	<b>-</b>	<b>1,942,991</b>	<b>1,854,036</b>	<b>-</b>	<b>1,854,036</b>
<b>Change in net assets</b>	<b>(97,461)</b>	<b>233,872</b>	<b>136,411</b>	<b>360,859</b>	<b>71,744</b>	<b>432,603</b>
Net assets at beginning of year	4,161,265	294,840	4,456,105	3,800,406	223,096	4,023,502
Net assets at end of year	<b>\$ 4,063,804</b>	<b>\$ 528,712</b>	<b>\$ 4,592,516</b>	<b>\$ 4,161,265</b>	<b>\$ 294,840</b>	<b>\$ 4,456,105</b>

*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, 2022</b>	<b>For the year ended June 30, 2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 136,411	\$ 432,603
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	119,025	117,055
Provision for doubtful accounts	(15,321)	38,886
PPP loan forgiveness	(11,073)	(233,696)
Unrealized (gain) loss	100,504	(30,982)
Realized (gain)	(11,518)	(31,968)
(Increase) decrease in operating assets and liabilities:		
Unconditional promises to give and accounts receivable	(20,360)	32,265
Grants receivable	(29,626)	460
Prepaid expenses and deferred costs	1,102	(207)
Utility and other deposits	-	(160)
Accounts payable and accrued expenses	(5,849)	16,531
Deferred Revenue	24,852	(7,692)
Net cash provided by operating activities	<u>288,147</u>	<u>333,095</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Reinvested Dividend	(4,625)	(773)
Purchase of property and equipment	(11,306)	(17,822)
Net cash used in investing activities	<u>(15,931)</u>	<u>(18,595)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from PPP loan	-	177,175
Payments on mortgage	(72,561)	(68,171)
Net cash provided by (used in) financing activities	<u>(72,561)</u>	<u>109,004</u>
Net increase in cash and cash equivalents	199,655	423,504
Cash and cash equivalents at the beginning of year	1,851,594	1,428,090
Cash and cash equivalents at the end of year	<u>\$ 2,051,249</u>	<u>\$ 1,851,594</u>
 Supplemental Information:		
Cash paid for interest expense:	<u>\$ 140,907</u>	<u>\$ 135,393</u>
Cash paid for income taxes:	<u>\$ -</u>	<u>\$ -</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 Functional Expenses*  
*For the Year ended June 30, 2022*

	Gilead - Getting to Zero w/Pride	Compass Emory	DOH - HIV Program	Other Programs	Community Center Activity	Active Aging Program	Total Program Expense	Management	Fundraising	TOTAL
Salaries	\$ 42,585	\$ 2,325	\$ 261,802	\$ 80,690	\$ 241,587	\$ 157,478	\$ 786,467	\$ 93,181	\$ 179,777	\$ 1,059,425
Payroll taxes	1,928	-	16,310	5,856	16,071	14,130	54,295	6,668	18,757	79,720
Employee Benefits	4,215	-	40,308	4,294	21,046	17,379	87,242	12,350	18,372	117,964
Advertising and Community Relations	4,495	-	2,333	2,072	4,124	2,192	15,216	442	22,456	38,114
Bank and Credit Card Charges	-	-	-	-	75	487	562	70	-	632
Program Supplies and Expenses	1,980	284	-	851	1,135	2,255	6,505	14,288	2,837	23,630
Postage	802	-	19	-	354	-	1,175	354	-	1,529
Newsletter Printing and Production	117	-	2,919	-	616	2,388	6,040	-	-	6,040
Telephone	407	-	922	260	1,167	349	3,105	467	700	4,272
Utilities	3,491	-	9,256	4,434	22,169	6,651	46,001	4,434	6,651	57,086
Building Repairs and Maintenance	6,142	-	12,312	9,131	27,394	13,697	68,676	18,263	9,131	96,070
Security	6,049	-	12,153	8,786	17,572	6,589	51,149	6,589	4,393	62,131
Taxes Licenses and Fees	-	-	100	415	2,073	463	3,051	463	733	4,247
Insurance	2,643	-	12,777	5,286	10,572	7,929	39,207	14,193	10,572	63,972
Interest	6,053	-	23,545	19,841	52,628	19,420	121,487	-	19,420	140,907
Professional Fees	394	-	3,345	3,389	4,237	2,612	13,977	3,389	3,389	20,755
Depreciation	-	-	-	23,805	35,708	17,854	77,367	17,854	23,805	119,026
Bad Debt	-	-	-	-	-	-	-	-	(15,321)	(15,321)
Office	7,322	-	11,222	5,297	10,262	5,976	40,079	7,646	15,067	62,792
	<b>\$ 88,623</b>	<b>\$ 2,609</b>	<b>\$ 409,323</b>	<b>\$ 174,407</b>	<b>\$ 468,790</b>	<b>\$ 277,849</b>	<b>\$ 1,421,601</b>	<b>\$ 200,651</b>	<b>\$ 320,739</b>	<b>\$ 1,942,991</b>

*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, 2021*

	Murals at Equality Park	Compass Emory	DOH - HIV Program	Other Programs	Community Center Activity	Senior Affordable Housing Project	Total Program Expense	Management	Fundraising	TOTAL
Salaries	\$ 6,781	\$ 12,262	\$ 233,702	\$ 199,781	\$ 56,737	\$ 17,586	\$ 526,849	\$ 93,770	\$ 200,233	\$ 820,852
Payroll taxes	7,986	4,900	24,539	13,976	3,705	-	55,106	7,334	15,457	77,897
Employee Benefits	3,170	-	35,169	11,109	4,353	-	53,801	6,885	6,557	67,243
Advertising and Community Relations	-	-	100	2,119	1,126	-	3,345	180	21,334	24,859
Bank and Credit Card Charges	-	-	-	649	-	-	649	-	-	649
Program Supplies and Expenses	50,597	15,627	48,260	9,696	589	27,033	151,802	13,122	1,535	166,459
Postage	-	-	59	251	-	-	310	251	715	1,276
Newsletter Printing and Production	-	-	-	887	117	-	1,004	189	-	1,193
Telephone	-	-	1,270	2,784	-	-	4,054	942	1,413	6,409
Utilities	-	-	5,375	9,593	15,988	-	30,956	-	6,395	37,351
Building Repairs and Maintenance	3,327	11,211	30,207	44,358	71,306	-	160,409	16,193	14,786	191,388
Security	-	-	2,839	2,426	3,202	-	8,467	-	1,281	9,748
Taxes Licenses and Fees	-	-	142	2,045	3,409	-	5,596	-	1,640	7,236
Insurance	-	-	14,178	30,149	27,891	-	72,218	12,190	14,818	99,226
Interest	-	-	27,079	40,618	54,157	-	121,854	-	13,539	135,393
Professional Fees	-	-	3,437	3,934	3,934	7,340	18,645	2,547	2,547	23,739
Depreciation	-	-	-	35,117	35,117	-	70,234	23,410	23,411	117,055
Bad Debt	-	-	-	-	-	-	-	-	38,886	38,886
Office	1,494	4,831	2,514	4,481	1,916	-	15,236	1,746	10,195	27,177
	<b>\$ 73,355</b>	<b>\$ 48,831</b>	<b>\$ 428,870</b>	<b>\$ 413,973</b>	<b>\$ 283,547</b>	<b>\$ 51,959</b>	<b>\$ 1,300,535</b>	<b>\$ 178,759</b>	<b>\$ 374,742</b>	<b>\$ 1,854,036</b>

*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, 2022 AND JUNE 30, 2021**

**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 and for-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 LGBTQ+ 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 LGBTQ+ community. The Pride Center's purpose includes improving the quality of life for and enhancing a sense of unity and communication within the LGBTQ+ community of Broward County.

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

The Residences at Equality Park: the 48-unit development on the campus represents Florida's first affordable housing community with customized supportive services for the LGBTQ+ active aging community. This means that South Florida is witnessing the incredible realization of a multi-year process of community assessment and strategic planning coming to fruition. This residential community is managed by Carrfour Supportive Housing, Florida's largest nonprofit affordable housing developer. The Residences provide permanent affordable housing and supportive services for senior adults living with disabling conditions—such as physical illnesses or disabilities due to complications from diseases including HIV/AIDS – with a special focus on members of the LGBTQ+ community.

**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.

The 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 Pride Center is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

**With Donor Restrictions and Without Restrictions Revenue and Support**

Contributions received are recorded as without donor restrictions, or with donor restrictions 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 without donor restrictions 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 with donor restrictions net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), with donor restrictions net assets are reclassified to without donor restrictions 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 uses advertising to promote its programs to the community it serves. The production costs of advertising are expensed as incurred. Advertising costs totaled \$38,114 and \$24,859 for the years ended June 30, 2022 and 2021, 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. Significant estimates include allowance for uncollectible promises to give and useful lives of depreciable assets.

**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 \$2,500 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.



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

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.

**Donated Services**

The Pride Center recognized contribution revenue and expense for the years ended June 30, 2022 and 2021 for donated legal services valued at \$0 and \$7,340, respectively. The revenue from donated services was measured based on the fair value of these services.

Additionally, 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 values of the volunteer services have not been reflected in the financial statements for donated services. The Pride Center receives more than 18,000 and 7,850 volunteer hours for the years ended June 30, 2022 and June 30, 2021 respectively.

**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 Pride Center 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 Pride Center 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.



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

**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 Pride Center's tax-exempt purpose were received, it would be subject to taxation as unrelated business income. In addition, the Pride Center 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 Pride Center's tax returns for the years 2019-2022 remain open to Internal Revenue Service's Audit. Accordingly, no provision for federal income taxes has been made.

**RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

In February 2018, the FASB issued ASU 2018-02, "Leases", which will amend current lease accounting to require lessees to recognize (i) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and (ii) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2017-02 does not significantly change lease accounting requirements applicable to lessors; however, certain changes were made to align, where necessary, lessor accounting with the lessee accounting model. This standard will be effective for fiscal years beginning after December 15, 2021. The Pride Center is currently reviewing the provisions of this ASU to determine if there will be any material impact on the statement of activities, cash flows or financial position.

All other recent accounting pronouncements issued by FASB (including the Emerging Issues Task Force) and the AICPA did not, or are not, believed by the Pride Center's management, to have a material impact on the Pride Center's present or future financial statements.

**RECLASSIFICATIONS**

Certain amounts in the prior period presented have been reclassified to conform to the current period financial statement presentation. These reclassifications have no effect on previously reported change in net assets.

**NOTE 2 – FACILITY RENTAL INCOME**

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

Eight lease agreements have been entered into expiring at various dates, the longest of which extends through August 2025. All leases provide cost of living or annual percentage rental increases.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

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

Years Ended June 30 <sup>th</sup> :	Lease Obligation
2023	\$ 207,134
2024	111,954
2025	35,292
2026	8,792
2027 and thereafter	446,154
Total minimum lease payments	\$ <u>809,326</u>

In 2015, the Pride Center entered into a land lease agreement with a not-for-profit for the lease of land to construct affordable housing. The lease has gone through various amendments and calls for a lease term of 65 years beginning June 20, 2019. The agreement calls for payments of \$500,000 over the lease term and a contingent lease payment of up to \$693,280 based on any changes in the deferred development fee and any distributions of net cash flow as defined in the lease agreement. The Pride Center will recognize the guarantee revenue and the ground lease over the lease period. The Pride Center will recognize additional revenues over the remaining term of the lease when the contingency is realized.

**NOTE 3 – LIQUIDITY AND AVAILABILITY**

The Pride Center’s financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash	\$ 2,051,249
Investments	487,750
Unconditional promises and accounts receivable	48,444
Grants receivable	58,333
Prepaid expenses	22,878
Financial assets at year end	\$ <u>2,668,654</u>
Less those unavailable for general expenditure within one year due to:	
Restricted by donor with time or purpose restrictions	<u>(524,511)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>2,144,143</u>

The Pride Center’s financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date.

As part of the Pride Center’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

**NOTE 4 – 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.

The Pride Center’s investments are in the custody of and managed by Our Fund Foundation, Inc. Our Fund Foundation, Inc. has several investment pools and invests the funds according to the directions of the Pride Center. At June 30, 2022 and 2021, the investments are in three investment pools: diversified pool, balanced pool, and money market pool. The diversified pool invests in publicly traded stocks, bonds, mutual funds, money market funds, and cash; the balanced pool invests in publicly traded stocks and equity funds, fixed income mutual funds, and government-backed bond funds; and the money market pool invests in money market funds. Under FASB ASC 958-320 Investments – Debt and Equity Securities, investments in marketable securities with readily determinable fair values are reported at fair value in the Statement of Financial Position with the amount of unrealized gains or losses on investments not previously recognized are reported in the Statement of Activities.

The following represents the investments carried at fair value as of June 30, 2022 and 2021 within the fair value hierarchy:

<u>Investments</u>	<b>June 30, 2022</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
Cash and cash equivalents	\$ 43,531	\$ -	\$ 43,531
Equities and equity funds	186,089	-	186,089
Fixed income funds	-	242,454	242,454
Asset backed funds	-	15,676	15,676
<b>Total</b>	<b>\$ 229,620</b>	<b>\$ 258,130</b>	<b>\$ 487,750</b>

<u>Investments</u>	<b>June 30, 2021</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
Cash and cash equivalents	\$ 76,578	\$ -	\$ 76,578
Equities and equity funds	229,826	-	229,826
Fixed income funds	-	249,916	249,916
Asset backed funds	-	15,791	15,791
<b>Total</b>	<b>\$ 306,404</b>	<b>\$ 265,707</b>	<b>\$ 572,111</b>



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

Unrestricted investment income at June 30th consists of:

		<u>Year ended 2022</u>		<u>Year ended 2021</u>
Interest	\$	990	\$	729

**NOTE 5 – DONOR ADVISED FUNDS**

The Pride Center is beneficiary of two grant and agency endowment funds 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 With Donor Restriction 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. During the years ended June 30, 2022 and 2021, The Pride Center received \$25,829 and \$25,320, respectively from the Funds and the fund balance (in both Funds as recorded by the Foundation) at June 30, 2022 and 2021 was \$493,929 and \$616,430, respectively.

The Pride Center is beneficiary of an agency endowment fund with Our Fund Foundation, Inc. ("Our Fund"). The endowment agreement entered into in June 2017 between the Our Fund and Richard Schwarz ("Donor") created the fund "Pride Center at Equality Park Endowed Fund".

Additional contributions may be made to this Fund at any time. Contributions are considered permanent and are held and administered solely by the Our Fund and therefore are classified as a With Donor Restriction Fund of Our Fund. All contributions come from third parties and Our Fund 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. During the years ended June 30, 2022 and 2021, The Pride Center received \$0 and \$0, respectively from the Fund and the fund balance (as recorded by Our Fund) at June 30, 2022 and 2021 was \$11,000 and \$13,130, respectively.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

**NOTE 6 – PROPERTY AND EQUIPMENT**

Property and equipment, net, consists of the following at June 30th:

	<b>2022</b>	<b>2021</b>
Equipment and telephone system	\$ 58,218	\$ 55,623
Furniture and Fixtures	83,551	77,436
Computer equipment	5,639	3,043
Building	2,517,500	2,517,500
Building improvements	1,396,198	1,396,198
Land	<u>2,232,500</u>	<u>2,232,500</u>
	6,293,606	6,282,300
Less accumulated depreciation	<u>(1,400,972)</u>	<u>(1,281,947)</u>
	<u>\$ 4,892,634</u>	<u>\$ 5,000,353</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, 2022 and June 30, 2021 was \$119,025 and \$117,055, respectively.

**NOTE 7 – 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, 2022:

<b>Event</b>	<b>Receipts</b>	<b>Direct Expenses</b>	<b>Net Revenue</b>
Wicked Manors	\$ 253,932	\$ 111,489	\$ 142,443
AIDS Walk	247,988	71,630	176,358
Flea Market	1,504	1,665	(161)
5K Rainbow Run	14,397	10,416	3,981
Diversity Honors	29,988	30,211	(223)
Other	-	41,219	(41,219)
Total	<u>\$ 547,809</u>	<u>\$ 266,630</u>	<u>\$ 281,179</u>



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

Special events for the year ended June 30, 2021 were as follows:

<u>Event</u>	<u>Receipts</u>	<u>Direct Expenses</u>	<u>Net Revenue</u>
Wicked Manors	\$ 33,584	\$ 2,353	\$ 31,231
AIDS Walk	243,443	15,868	227,575
5K Rainbow Run	85	200	(115)
Diversity Honors	10,000	900	9,100
Other	12,131	11,946	185
Total	<u>\$ 299,243</u>	<u>\$ 31,267</u>	<u>\$ 267,976</u>

**NOTE 8 – ASSISTANCE FROM GOVERNMENTAL AGENCIES**

The following details the reimbursements and receipts from governmental agencies for the years ended June 30, 2022 and June 30, 2021, respectively:

<b>Federal Financial Assistance</b>	<u>2022</u>	<u>2021</u>
<b>Pass-through State programs from:</b>		
Florida Department of Health		
CODPJ	\$ 341,440	\$ 341,330
<b>Grand Total</b>	<u>\$ 341,440</u>	<u>\$ 341,330</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.

On January 1, 2019, The State of Florida implemented new restrictions on grant awards which restricts entities to only one grant with a maximum amount of \$400,000. Under the new State of Florida contract, the Pride Center signed a new three year grant of \$350,000 per year totaling \$1,050,000. Due to the decrease in funding, the Pride Center has had to eliminate certain programs not covered under the new grant and reduce its staffing. The Pride Center continues to look for new funding opportunities to replace the lost funding.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

**NOTE 9 – RESTRICTIONS ON NET ASSETS**

With donor restrictions net assets are available for the following purposes as of June 30, 2022:

	<b>Balance July 1, 2021</b>	<b>Additions</b>	<b>Usage</b>	<b>Balance June 30, 2022</b>
Senior programs	\$ 141,488	\$ 253,495	\$ 233,723	\$ 161,260
SageWorks	2,135	-	-	2,135
Women’s program	18,988	33,694	18,006	34,676
Prep funding	4,479	-	-	4,479
Transgender	1,975	30,151	30,151	1,975
PALS	458	-	-	458
Youth	15,259	-	-	15,259
Kiki Culture	11,951	-	-	11,951
AIDS Walk	3,740	2,500	2,500	3,740
Community Cares	4,483	-	-	4,483
Prevention	100	-	-	100
Murals at Equality Park	5,805	-	-	5,805
Diversity Honors	9,061	-	-	9,061
Courtyard Renovations	61,318	10,000	55,579	15,739
Diversity Training	3,600	-	3,600	-
HIV Testers	10,000	-	1,839	8,161
Gilead Getting to Zero				
W/Pride	-	249,499	65,418	184,081
Tell “Our Story”	-	20,000	-	20,000
Compass Emory Capacity				
Building Grant	-	15,000	-	15,000
Jammin’ at the Center	-	20,000	-	20,000
Meeting Room Rental	-	10,349	-	10,349
	<u>\$ 294,840</u>	<u>\$ 644,688</u>	<u>\$ 410,817</u>	<u>\$ 528,712</u>

**NOTE 10 – 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 Pride 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 a 5 years adjustable rate plus 200 basis points through the maturity date of May 22, 2023. The new effective rate on the mortgage as of June 30, 2021 and 2022 is 5.39%. The mortgage is guaranteed by all the real property at the Pride Center.



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

	<b>At June 30, 2022</b>	<b>At June 30, 2021</b>
Mortgage Payable Principal	\$ 2,396,088	\$ 2,468,649
Deferred Loan Costs	(917)	(1,831)
<b>Total Mortgage Payable, net Deferred Loan Costs</b>	<b>\$ 2,395,171</b>	<b>\$ 2,466,818</b>

Maturities of the mortgage note for fiscal years after 2022 are as follows:

FY 2023	\$ 2,396,088
	\$ 2,396,088

**NOTE 11 – NOTES PAYABLE**

**PPP Loan**

On May 5, 2020, the Pride Center entered into a term note (the “first draw PPP Loan”) evidencing an unsecured loan in the amount of \$177,200 made to the Company under the Payroll Protection Plan (“PPP”). The PPP is a liquidity facility program established by the U.S. government as part of the CARES Act in response to the negative economic impact of the COVID-19 outbreak. The PPP Loan to the Pride Center is being administered by Truist Bank. The PPP Loan has a two-year term and bears interest at a rate of 1.0% per annum. Monthly principal and interest payments are deferred for six months. Beginning December 5, 2020, seven months from the date of the PPP Note, the Pride Center is required to make monthly payments of principal and interest in the amount of \$9,844. Under the terms of the CARES Act, PPP Loan recipients can apply for, and be granted forgiveness for, all or a portion of loans granted under the Paycheck Protection Program. The expenses eligible for forgiveness are payroll costs, rent, utilities, and interest on mortgage obligations incurred during the covered period. The Pride Center intends to use the entire loan amount for qualifying expenses. The outstanding balance on the PPP Note was \$0 and \$177,200 as of June 30, 2022 and 2021, respectively.

The Pride Center has chosen to account for the PPP loan as a conditional contribution in accordance with FASB ASC 958-605, Not-for-Profit Entities: Revenue Recognition. The Pride Center has adopted the approach to recognize contribution income as the qualifying expense are incurred. During the year ended June 30, 2021, the Pride Center recognized \$177,200 in contribution income.

On July 26, 2021, the Pride Center received notification from the bank that the Small Business Administration (SBA) had forgiven principal of \$177,200 under the first draw PPP loan.

On March 1, 2021, the Pride Center entered into a term note (the “second draw PPP Loan”) evidencing an unsecured loan in the amount of \$177,175 made to the Company under the Payroll Protection Plan (“PPP”). The PPP is a liquidity facility program established by the U.S. government as part of the CARES Act and the Paycheck Protection Program Rules in



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

response to the negative economic impact of the COVID-19 outbreak. The PPP Loan to the Pride Center is being administered by Truist Bank. The PPP Loan has a five-year term and bears interest at a rate of 1.0% per annum. Monthly principal and interest payments are deferred until one month after the earlier of (i) the date (A) Bank receives the applicable forgiveness amount from the SBA related to this Loan (as defined herein) or (B) Bank receives notice or confirmation that SBA has determined that Borrower is ineligible for forgiveness of the Loan or (ii) the date that is ten (10) months after the end of the Forgiveness Covered Period. After which, the Pride Center is required to make monthly payments of principal and interest, with the principal component of each such payment based upon the level amortization of principal over a five year period. Under the terms of the CARES Act and the Paycheck Protection Program Rules, PPP Loan recipients can apply for, and be granted forgiveness for, all or a portion of loans granted under the Paycheck Protection Program. The expenses eligible for forgiveness are payroll costs, rent, utilities, and interest on mortgage obligations incurred during the covered period. The Pride Center intends to use the entire loan amount for qualifying expenses. The outstanding balance on the PPP Note was \$0 and \$1,77,175 as of June 30, 2022 and 2021, respectively.

The Pride Center has chosen to account for the PPP loan as a conditional contribution in accordance with FASB ASC 958-605, Not-for-Profit Entities: Revenue Recognition. The Pride Center has adopted the approach to recognize contribution income as the qualifying expense are incurred. During the year ended June 30, 2021, the Pride Center recognized \$166,102 in contribution income and as of June 30, 2021 the remaining PPP loan balance was \$11,073. During the year ended June 30, 2022, the Pride Center recognized \$11,073 in contribution income and as of June 30, 2022 the remaining PPP loan balance was \$0.

On September 19, 2022, the Pride Center received notification from the bank that the Small Business Administration (SBA) had forgiven principal of \$177,175 under the second draw PPP loan.

**NOTE 12 – CONCENTRATIONS**

The Pride Center received 40% of its support from Founders and members' dues and contributions during the year ended June 30, 2022. Changes in dues and contributions could have a material adverse effect on the Pride Center's ability to continue to provide its services at the same level.

As of June 30, 2022 and 2021, the Pride Center has a cash concentration of \$1,833,751 and \$1,636,440, respectively, in excess of the FDIC limit.

As of June 30, 2022 and 2021, the Pride Center has a concentration in the Unrecorded Promises to Give and Accounts Receivable of 56% and 77%, respectively, related to Founders' pledge receivable.



**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER  
OF GREATER FORT LAUDERDALE, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND JUNE 30, 2021**

**NOTE 13 – PROMISES TO GIVE**

The balances of unconditional promises to give are as follows as of June 30, 2022 and 2021, respectively:

	<b>FY 2022</b>	<b>FY 2021</b>
Promise to Give	\$ 61,174	\$ 40,814
Less: Allowance for doubtful accounts	(12,730)	(28,051)
Net Promises to Give	\$ 48,444	\$ 12,763

At June 30, 2022 and 2021, promises to give includes \$48,444 and \$12,763, respectively, primarily from pledges from Pride Center’s Founders. These promises to give are collected through monthly payments throughout the year.

**NOTE 14 – SUBSEQUENT EVENTS**

In preparing the financial statements, The Pride Center has evaluated events and transactions for potential recognition or disclosure through April 25, 2023, the date the financial statements were available to be issued.

On September 19, 2022, the Pride Center received notification from the bank that the Small Business Administration (SBA) had forgiven principal of \$177,175 under the second draw PPP loan.