

**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, 2023 AND JUNE 30, 2022

WEBB CPA, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
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YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022**

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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

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, 2023 and 2022, 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, 2023 and 2022, 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.

Webb CPA, P.A.

WEBB CPA, P.A.
Certified Public Accountants
April 26, 2024

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

Statement of Financial Position

	<u>As of June 30, 2023</u>	<u>As of June 30, 2022</u>
ASSETS		
Cash and cash equivalents	\$ 1,634,765	\$ 2,051,249
Investments	500,288	487,750
Unconditional promises and accounts receivable, less allowance for doubtful accounts	22,843	48,444
Grants receivable	-	58,333
Prepaid expenses	116,343	22,878
Utility and other deposits	10,034	10,034
Deferred lease costs	11,449	11,636
Property and equipment, net	<u>4,834,594</u>	<u>4,892,634</u>
TOTAL ASSETS	<u>\$ 7,130,316</u>	<u>\$ 7,582,958</u>
 LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 79,028	\$ 85,803
Deferred lease revenues	478,655	509,468
Mortgage payable, net	<u>2,321,236</u>	<u>2,395,171</u>
TOTAL LIABILITIES	2,878,919	2,990,442
 COMMITMENTS AND CONTINGENCIES		
	-	-
Without Donor Restrictions	4,099,023	4,063,804
With Donor Restrictions	<u>152,374</u>	<u>528,712</u>
TOTAL NET ASSETS	<u>4,251,397</u>	<u>4,592,516</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,130,316</u>	<u>\$ 7,582,958</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, 2023			For the year ended June 30, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support, Revenues and Reclassifications						
Founders and members' dues and contributions	\$ 676,059	\$ -	\$ 676,059	\$ 374,982	\$ 454,385	\$ 829,367
Facility usage fees and rental income	289,086	-	289,086	299,321	-	299,321
Grant contracts	316,990	132,377	449,367	355,003	-	355,003
Government grant contracts	350,007	-	350,007	341,440	-	341,440
Special events						
- Revenue	594,515	-	594,515	547,809	-	547,809
- Direct Costs	(307,502)	-	(307,502)	(266,630)	-	(266,630)
Special events, net	287,013	-	287,013	281,179	-	281,179
Other income	19,599	-	19,599	23,070	-	23,070
Investment income (loss)	60,310	-	60,310	(49,978)	-	(49,978)
Net assets released from restrictions						
Satisfaction of purpose restrictions	508,715	(508,715)	-	220,513	(220,513)	-
Total public support, revenues and reclassifications	2,507,779	(376,338)	2,131,441	1,845,530	233,872	2,079,402
Expenses						
Program Services	1,885,134	-	1,885,134	1,421,601	-	1,421,601
Management and General	229,979	-	229,979	200,651	-	200,651
Fundraising	357,447	-	357,447	320,739	-	320,739
Total expenses	2,472,560	-	2,472,560	1,942,991	-	1,942,991
Change in net assets	35,219	(376,338)	(341,119)	(97,461)	233,872	136,411
Net assets at beginning of year	4,063,804	528,712	4,592,516	4,161,265	294,840	4,456,105
Net assets at end of year	\$ 4,099,023	\$ 152,374	\$ 4,251,397	\$ 4,063,804	\$ 528,712	\$ 4,592,516

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

	<u>For the year ended June 30, 2023</u>	<u>For the year ended June 30, 2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in net assets	\$ (341,119)	\$ 136,411
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	120,952	119,025
Contributed Fixed Assets	(33,265)	-
Provision for doubtful accounts	10,979	(15,321)
PPP loan forgiveness	-	(11,073)
Unrealized (gain) loss	(76,133)	100,504
Realized (gain) loss	72,976	(11,518)
(Increase) Decrease in operating assets and liabilities:		
Unconditional promises to give and accounts receivable	14,622	(20,360)
Grants receivable	58,333	(29,626)
Prepaid expenses and deferred costs	(92,363)	1,102
Utility and other deposits	-	-
Accounts payable and accrued expenses	(6,775)	(5,849)
Deferred Revenue	(30,813)	24,852
Net cash provided by (used in) operating activities	<u>(302,606)</u>	<u>288,147</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Reinvested Dividend	(9,381)	(4,625)
Purchase of property and equipment	(29,647)	(11,306)
Net cash used in investing activities	<u>(39,028)</u>	<u>(15,931)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payments on mortgage	(74,850)	(72,561)
Net cash used in financing activities	<u>(74,850)</u>	<u>(72,561)</u>
Net increase (decrease) in cash and cash equivalents	(416,484)	199,655
Cash and cash equivalents at the beginning of year	2,051,249	1,851,594
Cash and cash equivalents at the end of year	<u>\$ 1,634,765</u>	<u>\$ 2,051,249</u>

Supplemental Information:

Cash paid for interest expense:	<u>\$ 128,136</u>	<u>\$ 140,907</u>
Cash paid for income taxes:	<u>\$ 4,504</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, 2023

	CDC Foundation	Compass Emory	Compass SAC	Jammin at the Center	Gilead - Getting to Zero w/Pride	DOH - HIV Program	Active Aging Program	Other Programs	Community Center Activity	Total Program Expense	Management	Fundraising	TOTAL
Salaries	\$ 89,697	\$ 9,444	\$ 6,245	\$ 1,335	\$ 71,618	\$ 220,100	\$ 129,510	\$ 46,564	\$ 275,376	\$ 849,889	\$ 74,105	\$ 173,247	\$ 1,097,241
Payroll taxes	7,041	741	490	105	5,622	17,278	10,167	3,655	21,617	66,716	5,928	13,860	86,504
Employee Benefits	3,310	-	1,057	-	12,338	42,544	10,738	-	35,110	105,097	14,281	26,970	146,348
Advertising and Community Relations	55,025	5,445	-	6,446	3,665	-	3,782	-	1,668	76,031	9,094	9,094	94,219
Bank and Credit Card Charges	-	-	-	-	-	-	-	-	208	208	-	-	208
Program Supplies and Expenses	52,965	1,407	2,356	28,882	84,134	42,018	21,747	8,259	4,500	246,268	18,187	29,846	294,301
Postage	1,659	-	-	-	-	-	-	-	1,071	2,730	-	1,601	4,331
Newsletter Printing and Production	-	-	-	548	-	-	-	-	722	1,270	-	-	1,270
Telephone	-	-	-	-	-	444	-	-	1,488	1,932	733	1,821	4,486
Utilities	1,668	834	166	1,668	5,472	12,215	3,335	1,667	16,677	43,702	3,335	3,335	50,372
Building Repairs and Maintenance	7,274	-	-	-	7,274	30,184	21,820	7,273	43,642	117,467	29,094	21,821	168,382
Security	9,029	-	-	1,800	12,747	6,479	8,630	4,315	17,260	60,260	4,315	4,315	68,890
Taxes Licenses and Fees	-	-	-	-	-	-	-	-	6,087	6,087	-	-	6,087
Insurance	3,001	-	-	-	3,001	8,485	9,002	6,001	18,003	47,493	14,951	9,002	71,446
Interest	-	-	-	-	-	25,627	19,221	25,627	31,952	102,427	12,814	12,895	128,136
Professional Fees	-	4,118	-	-	-	-	1,637	2,473	3,726	11,954	6,204	5,354	23,512
Depreciation	-	-	-	-	-	-	24,191	18,143	24,190	66,524	30,238	24,190	120,952
Bad Debt	-	-	-	-	-	-	-	-	-	-	-	10,979	10,979
Office	20,652	2,514	-	941	728	4,727	8,282	3,337	21,564	62,745	19,698	12,453	94,896
	\$ 251,321	\$ 24,503	\$ 10,314	\$ 41,725	\$ 206,599	\$ 410,101	\$ 272,062	\$ 127,314	\$ 524,861	\$ 1,868,800	\$ 242,977	\$ 360,783	\$ 2,472,560

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
	\$ 88,623	\$ 2,609	\$ 409,323	\$ 174,407	\$ 468,790	\$ 277,849	\$ 1,421,601	\$ 200,651	\$ 320,739	\$ 1,942,991

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, 2023 AND JUNE 30, 2022**

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, 2023 AND JUNE 30, 2022**

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 \$52,797 and \$38,114 for the years ended June 30, 2023 and 2022, 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, 2023 AND JUNE 30, 2022**

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 and Fixed Assets

The Pride Center recognized contribution revenue and expense for the years ended June 30, 2023 and 2022 for donated fixed assets valued at \$33,265 and \$0, respectively.

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 received more than 22,500 and 18,000 volunteer hours for the years ended June 30, 2023 and June 30, 2022 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, 2023 AND JUNE 30, 2022**

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 2020-2023 remain open to Internal Revenue Service's Audit. Accordingly, no provision for federal income taxes has been made.

Recently Issued Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments—Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments. This standard update requires that certain financial assets be measured at amortized cost net of an allowance for estimated credit losses such that the net receivable represents the present value of expected cash collection. In addition, this standard update requires that certain financial assets be measured at amortized cost reflecting an allowance for estimated credit losses expected to occur over the life of the assets. The estimate of credit losses must be based on all relevant information including historical information, current conditions and reasonable and supportable forecasts that affect the collectability of the amounts. ASU 2016-13 is effective for fiscal years beginning after December 15, 2022. The Company estimates this guidance will have no impact on the organization. The Company will implement the guidance for the year ended June 30, 2024 if deemed necessary.

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.

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.

Six 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.

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.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2023 AND JUNE 30, 2022**

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

Years Ended June 30th:	Lease Obligation
2024	\$ 143,674
2025	62,692
2026	40,692
2027	7,692
2028 and thereafter	438,462
Total minimum lease payments	\$ 692,212

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	\$ 1,634,765
Investments	500,288
Unconditional promises and accounts receivable	22,843
Prepaid expenses	116,343
Financial assets at year end	\$ 2,274,239
Less those unavailable for general expenditure within one year due to:	
Restricted by donor with time or purpose restrictions	(152,374)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,121,864

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.

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.

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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, 2023 and 2022, 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, 2023 and 2022 within the fair value hierarchy:

June 30, 2023			
Investments	Level 1	Level 2	Total
Cash and cash equivalents	\$ 272,340	\$ -	\$ 272,340
Equities and equity funds	53,691	-	53,691
Fixed income funds	-	174,257	174,257
Total	\$ 326,031	\$ 174,257	\$ 500,288

June 30, 2022			
Investments	Level 1	Level 2	Total
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
Total	\$ 229,620	\$ 258,130	\$ 487,750

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.

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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, 2023 and 2022, The Pride Center received \$26,816 and \$25,829, respectively from the Funds and the fund balance (in both Funds as recorded by the Foundation) at June 30, 2023 and 2022 was \$514,867 and \$493,929, 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, 2023 and 2022, The Pride Center received \$0 and \$0, respectively from the Fund and the fund balance (as recorded by Our Fund) at June 30, 2023 and 2022 was \$11,552 and \$11,000, respectively.

NOTE 6 – PREPAID EXPENSE

Prepaid expenses represent future benefits or services that have been paid for in advance. Prepaid expenses are amortized and allocated over the period of benefit or use.

Prepaid expense consists of the following at June 30th:

	2023	2022
Prepaid Insurance	\$ 116,343	\$ 22,878
Total Prepaid Expense	\$ 116,343	\$ 22,878

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NOTE 7 – PROPERTY AND EQUIPMENT

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

	2023	2022
Equipment and telephone system	\$ 87,865	\$ 58,218
Furniture and Fixtures	83,551	83,551
Computer equipment	5,639	5,639
Building	2,517,500	2,517,500
Building improvements	1,429,463	1,396,198
Land	2,232,500	2,232,500
	<u>6,356,518</u>	<u>6,293,606</u>
Less accumulated depreciation	(1,521,924)	(1,400,972)
	<u>\$ 4,834,594</u>	<u>\$ 4,892,634</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, 2023 and June 30, 2022 was \$120,952 and \$119,025, respectively.

NOTE 8 – 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, 2023:

Event	Receipts	Direct Expenses	Net Revenue
Wicked Manors	\$ 294,291	\$ 178,035	\$ 116,256
AIDS Walk	211,242	51,801	159,441
5K Rainbow Run	24,669	10,342	14,327
Diversity Honors	52,355	34,622	17,733
Other	11,958	32,702	(20,744)
Total	<u>\$ 594,515</u>	<u>\$ 307,502</u>	<u>\$ 287,013</u>

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Special events for the year ended June 30, 2022 were as follows:

<u>Event</u>	<u>Receipts</u>	<u>Direct Expenses</u>	<u>Net Revenue</u>
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	(233)
Other	-	41,219	(41,219)
Total	\$ 547,809	\$ 266,630	\$ 281,179

NOTE 9 – ASSISTANCE FROM GOVERNMENTAL AGENCIES

The following details the reimbursements and receipts from governmental agencies for the years ended June 30, 2023 and June 30, 2022, respectively:

Federal Financial Assistance	<u>2023</u>	<u>2022</u>
Pass-through State programs from:		
Florida Department of Health		
CODPJ	\$ 350,007	\$ 341,440
Grand Total	\$ 350,007	\$ 341,440

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 three year grant of \$350,000 per year totaling \$1,050,000. Effective January 1, 2022, The Pride Center renewed the State of Florida grant of \$350,000 for one year. Effective January 1, 2023, The Pride Center renewed the State of Florida grant of \$350,000 for one year.

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NOTE 10 – RESTRICTIONS ON NET ASSETS

With donor restrictions net assets are available for the following purposes as of June 30, 2023:

	Balance				Balance
	July 1, 2022	Additions	Usage		June 30, 2023
Senior Programs	\$ 161,260	\$ 171,800	\$ 230,686	\$	102,374
SageWorks	2,135	-	2,135		-
Women’s Program	34,676	26,092	60,768		-
Prep Funding	4,479	-	4,479		-
Transgender	1,975	55,233	57,208		-
PALS	458	-	458		-
Youth	15,259	-	15,259		-
Kiki Culture	11,951	-	11,951		-
AIDS Walk	3,740	-	3,740		-
Community Cares	4,483	100	4,583		-
Prevention	100	-	100		-
Murals at Equality Park	5,805	-	5,805		-
Diversity Honors	9,061	30,000	9,061		30,000
Courtyard Renovations	15,739	-	15,739		-
HIV Testers	8,161	-	8,161		-
Gilead Generator					
Reimbursement	-	16,664	16,664		-
Gilead Getting to Zero					
W/Pride	184,081	-	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>\$ 528,712</u>	<u>\$ 299,889</u>	<u>\$ 676,227</u>	<u>\$</u>	<u>152,374</u>

NOTE 11 – 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 effective rate on the mortgage as of June 30, 2023 and 2022 was 5.39%.

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Effective March 22, 2024, the Pride Center refinanced the mortgage note payable monthly at \$24,267 with a principal balance of \$2,278,613 at rate of 6.86% through June 22, 2035. The mortgage is guaranteed by all the real property at the Pride Center.

	<u>At June 30, 2023</u>	<u>At June 30, 2022</u>
Mortgage Payable Principal	\$ 2,321,238	\$ 2,396,088
Deferred Loan Costs	(2)	(917)
Total Mortgage Payable, net Deferred Loan Costs	\$ 2,321,236	\$ 2,466,818

Maturities of the mortgage note for fiscal years after 2023 are as follows:

FY 2024	\$	101,227
FY 2025		143,364
FY 2026		153,514
FY 2027		164,382
FY 2028 and thereafter		1,758,751
	\$	2,321,238

NOTE 12 – CONCENTRATIONS

The Pride Center received 32% of its support from Founders and members' dues and contributions during the year ended June 30, 2023. 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, 2023 and 2022, the Pride Center has a cash concentration of \$1,374,364 and \$1,833,751, respectively, in excess of the FDIC limit.

As of June 30, 2023 and 2022, the Pride Center has a concentration in the Unrecorded Promises to Give and Accounts Receivable of 92% and 56%, respectively, related to Founders' pledge receivable.

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NOTE 13 – PROMISES TO GIVE

The balances of unconditional promises to give are as follows as of June 30, 2023 and 2022, respectively:

	FY 2023	FY 2022
Promise to Give	\$ 50,895	\$ 61,174
Less: Allowance for doubtful accounts	(28,052)	(12,730)
Net Promises to Give	\$ 22,843	\$ 48,444

At June 30, 2023 and 2022, promises to give includes \$22,843 and \$48,444, 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

Effective January 1, 2024, The Pride Center renewed the State of Florida grant of \$350,000 for one year.

Effective March 22, 2024, the Pride Center refinanced the mortgage note payable monthly at \$24,267 with a principal balance of \$2,278,613 at rate of 6.86% through June 22, 2035.

In preparing the financial statements, The Pride Center has evaluated events and transactions for potential recognition or disclosure through April 26, 2024, the date the financial statements were available to be issued.