

COMMUNITY-POLICE RELATIONS FOUNDATION, INC.

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDING DECEMBER 31, 2022 AND 2021

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR' REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities and Change in Net Assets	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-9
SUPPLEMENTARY INFORMATION	
Statement of Donations Received	10



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Community-Police Relations Foundation, Inc.
Fort Lauderdale, Florida

Opinion

We have audited the accompanying financial statements of the Community-Police Relations Foundation, Inc. (referred to as "the Organization"), which comprise the statement of financial position as of December 31, 2022 and 2021, and the related statements of activities and change in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community-Police Relations Foundation, Inc. as of December 31, 2022 and 2021, and the results of their activities and their cash flows for the years then ended in accordance with generally accepted accounting principles in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Community-Police Relations Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 these 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 these financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community-Police Relations Foundation, Inc.'s ability to continue as a going concern for the next year

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Auditors' 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 Community-Police Relations Foundation, Inc.'s internal control. Accordingly, not such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as 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 Community-Police Relations Foundation, 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.

Report on Summarized Comparative Information

Gerstle, Rosen & Goldenberg, PA has previously audited the Community-Police Relations Foundation, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 4, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it was derived.

Gerstle, Rosen & Goldenberg, PA

Certified Public Accountants
Hollywood, Florida

February 15, 2024

COMMUNITY-POLICE RELATIONS FOUNDATION, INC.

**STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,657,279	\$ 1,169,710
Grants Receivable	250,000	250,000
Total Current Assets	1,907,279	1,419,710
 NON-CURRENT ASSETS		
Fixed Assets	8,927	-
Software	2,875	-
Total Non-current Assets	11,802	-
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TOTAL ASSETS	\$ 1,919,081	\$ 1,419,710
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LIABILITIES AND NET ASSETS		
LIABILITIES		
Credit Card Payable	(5,321)	3,177
Federal Income Tax Payable	(17)	
Total Liabilities	(5,338)	3,177
 NET ASSETS		
Without Donor Restrictions	1,924,419	1,416,533
Total Net Assets	1,924,419	1,416,533
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TOTAL LIABILITIES	\$ 1,919,081	\$ 1,419,710
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COMMUNITY-POLICE RELATIONS FOUNDATION, INC.

**STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
	<u>Without Donor</u>	<u>Without Donor</u>
	<u>Restrictions</u>	<u>Restrictions</u>
SUPPORT AND REVENUE		
Donations Received	\$ 1,209,834	\$ 1,205,245
Total Support and Revenue	1,209,834	1,205,245
EXPENSES		
Program Services	465,902	465,943
Supporting Services:		
Wages	82,423	37,706
Contractors	65,209	-
Travel	19,059	1,430
Fundraising	11,563	12,949
Taxes and Licenses	7,911	6,125
Office Supplies	7,596	1,404
Legal and Professional	7,217	2,664
Business Cards	6,056	6,496
Badges	2,913	10,446
Insurance	2,459	854
Bank Charges	2,206	5,089
Website	1,674	317
Interest	-	103
General Expenses	20,277	8,182
Total Expenses	702,465	559,708
OTHER INCOME		
Interest Earned	517	-
Total Other Income	517	-
Change in Net Assets	507,886	645,537
Net Assets at Beginning of Year	1,416,533	770,996
NET ASSETS AT END OF YEAR	\$ 1,924,419	\$ 1,416,533

COMMUNITY-POLICE RELATIONS FOUNDATION, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>			
	<u>Program Services</u>	<u>Supporting Services</u>	<u>Total Expenses</u>	<u>Summarized 2021 Totals</u>
Grants Paid	\$ 255,690	\$ -	\$ 255,690	\$ 281,917
Charitable Activities	210,212	-	210,212	184,027
Wages	-	82,423	82,423	37,706
Contractors	-	65,209	65,209	-
Travel	-	19,059	19,059	-
Fundraising	-	11,563	11,563	12,949
Taxes and Licenses	-	7,911	7,911	6,125
Office Supplies	-	7,596	7,596	-
Legal and Professional	-	7,217	7,217	2,664
Business Cards	-	6,056	6,056	6,495
Insurance	-	2,459	2,459	854
Badges	-	2,913	2,913	10,446
Website	-	1,674	1,674	317
Bank Charges	-	2,206	2,206	5,089
Interest	-	-	-	103
General Expenses	-	20,277	20,277	11,016
TOTAL	465,902	236,563	702,465	559,708

COMMUNITY-POLICE RELATIONS FOUNDATION, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 507,886	\$ 645,537
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
(Increase) Decrease in Assets:		
Grants Receivable	-	
Increase (Decrease) in Liabilities:		
Accounts Payable	(8,515)	3,177
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>499,371</u>	<u>648,714</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Fixed Assets	(8,927)	-
Software	(2,875)	
NET CASH FLOWS USED IN INVESTING ACTIVITIES	<u>(11,802)</u>	<u>-</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	487,569	648,714
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,169,710	520,996
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ <u>1,657,279</u>	\$ <u>1,169,710</u>

COMMUNITY-POLICE RELATIONS FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

1. GENERAL INFORMATION

Organization

Community-Police Relations Foundation, Inc. (referred to as “the Organization”) is a non-profit organization under the laws of the state of Florida. The organization was established with the intent to support the welfare of police officers and other first responders in times of distress, need, or fraternity. The organization promotes and engages in community outreach programs to strengthen relationships between the community and law enforcement through community events and scholarship programs. In addition, the organization will support programs for the prevention of animal cruelty and other activities that foster the good and welfare of the community.

2. DATE OF MANAGEMENT'S REVIEW/SUBSEQUENT EVENTS

In preparing the financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through February 15, 2024, the date that the financial statements were available to be issued.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** – Net assets available for use in general operations and not subject to donor restrictions are recorded as “net assets without donor restrictions”. Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as assets without donor restrictions.
- **Net Assets With Donor Restrictions** – Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Change in Net Assets as net assets released from donor restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.