



FLAGLER COUNTY FREE CLINIC, INC.

FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' REVIEW REPORT
FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Flagler County Free Clinic, Inc.
Bunnell, Florida

We have reviewed the accompanying financial statements of Flagler County Free Clinic, Inc. (the "Clinic" a nonprofit organization), which comprise the statements of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements as of December 31, 2021 were audited by our firm, and we expressed an unmodified opinion in our report that was dual dated August 15, 2022, and September 9, 2022. We have not performed any auditing procedures since that date.

A handwritten signature in cursive script that reads "Neville Wainio CPAs".

St. Augustine, Florida
July 24, 2023

FLAGLER COUNTY FREE CLINIC, INC.

**STATEMENTS OF FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	ASSETS	REVIEWED 2022	AUDITED 2021
ASSETS:			
Cash and cash equivalents		\$ 150,761	\$ 135,320
TOTAL		<u>\$ 150,761</u>	<u>\$ 135,320</u>
	LIABILITIES AND NET ASSETS		
LIABILITIES:			
Other liabilities		\$ 2,314	\$ 6,269
Total Liabilities		2,314	6,269
NET ASSETS WITHOUT DONOR RESTRICTIONS		<u>148,447</u>	<u>129,051</u>
TOTAL		<u>\$ 150,761</u>	<u>\$ 135,320</u>

See independent accountants' review report. The accompanying notes are an integral part of these statements.

FLAGLER COUNTY FREE CLINIC, INC.

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>REVIEWED 2022</u>	<u>AUDITED 2021</u>
REVENUE AND SUPPORT:		
In-kind contributions	\$ 1,663,963	\$ 1,621,376
Grants	118,324	112,758
Contributions and other income	<u>240,172</u>	<u>198,824</u>
 Total Revenue	 <u>2,022,459</u>	 <u>1,932,958</u>
 EXPENSES:		
Program expenses	1,930,448	1,836,706
Administration and general	50,737	45,052
Fundraising expenses	<u>21,878</u>	<u>14,638</u>
 Total Expenses	 <u>2,003,063</u>	 <u>1,896,396</u>
 INCREASE IN NET ASSETS	 19,396	 36,562
 NET ASSETS WITHOUT DONOR RESTRICTIONS, BEGINNING OF YEAR	 <u>129,051</u>	 <u>92,489</u>
 NET ASSETS WITHOUT DONOR RESTRICTIONS, END OF YEAR	 <u>\$ 148,447</u>	 <u>\$ 129,051</u>

See independent accountants' review report. The accompanying notes are an integral part of these statements.

FLAGLER COUNTY FREE CLINIC, INC.

**STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>Program Services</u>	<u>Administration and General</u>	<u>Fundraising</u>	<u>REVIEWED 2022 Total</u>
Laboratory expense	\$ 877,592	\$ -	\$ -	\$ 877,592
Medication expense	572,200	-	-	572,200
Medical professional volunteers	214,171	-	-	214,171
Salaries and wages	149,080	11,254	7,034	167,368
Payroll taxes	33,189	2,586	1,616	37,391
Rent	40,907	3,636	2,273	46,816
Supplies	16,939	2,535	-	19,474
Telephone and utilities	6,372	6,425	-	12,797
Professional fees	-	10,750	-	10,750
Insurance	3,198	529	331	4,058
Management fees	3,314	1,141	-	4,455
Office expenses	6,063	10,203	10,624	26,890
Other	<u>7,423</u>	<u>1,678</u>	<u>-</u>	<u>9,101</u>
Total Expenses	<u>\$ 1,930,448</u>	<u>\$ 50,737</u>	<u>\$ 21,878</u>	<u>\$ 2,003,063</u>

See independent accountants' review report. The accompanying notes are an integral part of these statements.

FLAGLER COUNTY FREE CLINIC, INC.

**STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>Program Services</u>	<u>Administration and General</u>	<u>Fundraising</u>	<u>AUDITED 2021 Total</u>
Laboratory expense	\$ 788,299	\$ -	\$ -	\$ 788,299
Medication expense	528,058	-	-	528,058
Medical professional volunteers	305,019	-	-	305,019
Salaries and wages	154,712	11,254	7,034	173,000
Payroll taxes	(4,202)	2,586	1,616	-
Rent	39,545	3,636	2,273	45,454
Supplies	5,148	6,063	3,384	14,595
Telephone and utilities	6,632	5,883	-	12,515
Professional fees	-	4,550	-	4,550
Insurance	5,757	529	331	6,617
Management fees	1,761	1,085	-	2,846
Office expenses	2,569	6,464	-	9,033
Other	3,408	3,002	-	6,410
Total Expenses	<u>\$ 1,836,706</u>	<u>\$ 45,052</u>	<u>\$ 14,638</u>	<u>\$ 1,896,396</u>

See independent accountants' review report. The accompanying notes are an integral part of these statements.

FLAGLER COUNTY FREE CLINIC, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>REVIEWED</u> 2022	<u>AUDITED</u> 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 19,396	\$ 36,562
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:		
(Decrease) increase in other liabilities	<u>(3,955)</u>	<u>2,294</u>
Net Cash Provided by Operating Activities	<u>15,441</u>	<u>38,856</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	15,441	38,856
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>135,320</u>	<u>96,464</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 150,761</u>	<u>\$ 135,320</u>

See independent accountants' review report. The accompanying notes are an integral part of these statements.

FLAGLER COUNTY FREE CLINIC, INC.

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION

The Flagler County Free Clinic, Inc. (the "Clinic") is a community-based not-for-profit organization serving and supporting the business community of Flagler County, Florida and organized under sections 501(c)(3) of the Internal Revenue Code. The Clinic's operations commenced on July 6, 2006. The Clinic is responsible for providing free medical services and supplies to uninsured patients and to those families in the most need within the community.

The Clinic is funded through contributions, grants and in-kind medical services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Clinic have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The financial statements of the Clinic have been prepared on the accrual basis of accounting. Net assets, expenses, distributions, gains, and losses are classified based on the existence or absence of donor-imposed or other external restrictions. Accordingly, net assets of the Clinic changes therein are classified and reported as follows:

- The change in net assets with donor restrictions.
- The change in net assets without donor restrictions

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and related disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on management's knowledge and experience. Accordingly, actual results may differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in checking accounts. The Clinic did not have funds in a single institution in excess of federally insured deposit limits as of December 31, 2022 and 2021, respectively.

Property and Equipment

The Clinic's policy for recognizing assets in its statement of net assets is to capitalize and depreciate tangible personal property which costs \$1,000 or more. Tangible personal property which costs under \$1,000 is expensed as incurred. Property and equipment are stated at cost less accumulated depreciation.

Right of Use Assets and Lease Liabilities

The Clinic determines if a contract contains a lease at inception. Leases are recorded as right-of-use assets and liabilities on the balance sheet. Right-of-use assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. The Clinic does not report on right-of-use assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). The Clinic leases two buildings. Both leases have a term of thirty-six (36) months.

Revenue and Support with and without Donor Restrictions

Grants and other contributions are reported as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donation. When a donor restriction expires, that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Grants and other contributions received with donor-imposed restrictions that are met in the same year in which the grant or contribution is received are classified as net assets without donor restrictions

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses.

In-Kind Donations

The value of services provided by medical professionals is estimated based on the Volunteer Health Care Provider Program's 2022 and 2021 Annual Reporting Forms. These estimates are recorded as in-kind donations.

The Clinic receives donated goods and laboratory services. The Clinic records the values of the goods and services where there is an objective basis available to measure their value. Donated goods and services are recorded at their estimated value at date of receipt.

3. MANAGEMENT OF LIQUIDITY

The Clinic has financial assets available within one year of the statement of financial position date for general expenditures as follows:

	REVIEWED 2022	AUDITED 2021
Financial assets at year end:		
Cash and cash equivalents	\$ 150,761	\$ 135,320
Financial assets available within one year	\$ 150,761	\$ 135,320

FLAGLER COUNTY FREE CLINIC, INC.

NOTES TO FINANCIAL STATEMENTS

4. GRANTS

Grants consisted of the following for the year ended Clinic:

<u>State and local grants</u>	<u>REVIEWED 2022</u>	<u>AUDITED 2021</u>
Florida Association of Free and Charitable Clinics	\$ 48,731	\$ 52,758
Flagler County Social Services	60,000	60,000
WCF - Diabetes	9,593	-
Total state and local grants	<u>\$ 118,324</u>	<u>\$ 112,758</u>

5. INCOME TAXES

The Clinic is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code; accordingly, the accompanying financial statements do not reflect a provision or liability for federal and state income taxes. The Clinic has determined that it does not have any material unrecognized tax benefits or obligations as of December 31, 2022. The Clinic is subject to taxation by various federal, state and local jurisdictions. As of December 31, 2022, the Clinic's tax years for 2021, 2020 and 2019 are subject to examination by the tax authorities

6. IN-KIND CONTRIBUTIONS

The Clinic received the following contributions of non financial assets for the years ending December 31:

	<u>REVIEWED 2022</u>	<u>AUDITED 2021</u>
Digital imaging and labs	\$ 877,592	\$ 788,299
Medication	572,200	528,058
Volunteer labor	214,171	305,019
Total in-kind contributions	<u>\$ 1,663,963</u>	<u>\$ 1,621,376</u>

7. CONCENTRATIONS OF CREDIT RISK

In-Kind Revenue

The Clinic receives the majority of its revenue from in-kind contributions. The contributions received consist of volunteer labor, donated laboratory services, and donated medication. During the years ended December 31, 2022 and 2021, the Clinic received in-kind contributions totaling \$1,663,963 (82% of revenue) and \$1,621,376 (84% of revenue) respectively.

Economic Dependency-Major Grantor

The Clinic receives a substantial portion of its revenue from two grantors. During the years ended December 31, 2022, and 2021. The grants from Flagler County and the State of Florida totaled \$108,731 (30% of revenue) and \$112,758 (36% of revenue), respectively.

8. SUBSEQUENT EVENTS

The Clinic has evaluated events and transactions for potential recognition or disclosure in the financial statements through July 24, 2023, the date the financial statements were available to be issued.