

**AMIGOS TOGETHER FOR KIDS, INC.
d/b/a AMIGOS FOR KIDS**

**FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION AND
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE TOTALS FOR THE
YEAR ENDED JUNE 30, 2015)**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Amigos Together for Kids, Inc.
Miami, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Amigos Together for Kids, Inc. (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Summarized Comparative Information

We have previously audited the Organization's 2015 financial statements, and our report dated December 18, 2015, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2016, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



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CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 16, 2016

AMIGOS TOGETHER FOR KIDS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2016 (WITH COMPARATIVE TOTALS AS OF JUNE 30, 2015)

	2016	2015 Comparative Totals
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 292,401	\$ 235,950
Restricted cash	57,430	64,244
Accounts receivable, net	114,944	139,544
Other current assets	28,346	23,895
TOTAL CURRENT ASSETS	493,121	463,633
PROPERTY AND EQUIPMENT, net	11,878	18,296
TOTAL ASSETS	\$ 504,999	\$ 481,929
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 48,584	\$ 47,543
Deferred revenues	51,903	54,738
TOTAL CURRENT LIABILITIES	100,487	102,281
NET ASSETS		
Unrestricted	398,985	370,142
Temporarily restricted	5,527	9,506
TOTAL NET ASSETS	404,512	379,648
COMMITMENTS		
TOTAL LIABILITIES AND NET ASSETS	\$ 504,999	\$ 481,929

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

AMIGOS TOGETHER FOR KIDS, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2015)

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Comparative Totals
SUPPORT AND REVENUE				
Domino tournament, including in-kind of \$395,007	\$ 689,267	\$ -	\$ 689,267	\$ 1,048,382
Grants and contributions	380,214	20,000	400,214	395,048
Special events and other, including in-kind of \$734,891	1,095,811	-	1,095,811	909,183
Net assets released from restriction	23,979	(23,979)	-	-
TOTAL SUPPORT AND REVENUE	2,189,271	(3,979)	2,185,292	2,352,613
EXPENSES AND LOSSES				
Expenses:				
Program services	1,552,930	-	1,552,930	1,540,485
Supporting activities	607,498	-	607,498	801,734
TOTAL EXPENSES AND LOSSES	2,160,428	-	2,160,428	2,342,219
CHANGE IN NET ASSETS	28,843	(3,979)	24,864	10,394
NET ASSETS - Beginning of year	370,142	9,506	379,648	369,254
NET ASSETS - End of year	\$ 398,985	\$ 5,527	\$ 404,512	\$ 379,648

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

AMIGOS TOGETHER FOR KIDS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2015)

	Program Services	Supporting Activities			2016 Total	2015 Comparative Totals
		General & Administrative	Fund Raising	Sub-Total		
EXPENSES						
Salaries, taxes and benefits	\$ 381,738	\$ 55,751	\$ 61,384	\$ 117,135	\$ 498,873	\$ 488,097
Domino tournament expenses, including in-kind of \$395,007	192,503	-	357,506	357,506	550,009	882,518
Professional fees, including in-kind of \$45,082	65,511	7,962	21,233	29,195	94,706	115,544
Other expenses, including in-kind of \$17,508	85,798	500	-	500	86,298	119,598
Toy drive expenses, including in-kind of \$309,642	377,984	-	-	-	377,984	318,888
Other events, including in-kind of \$362,659	396,851	-	67,195	67,195	464,046	330,627
Office expenses	15,937	13,826	4,877	18,703	34,640	35,139
Rent	26,170	4,567	7,993	12,560	38,730	36,996
Telephone	5,499	800	1,744	2,544	8,043	8,439
Insurance	3,240	540	1,620	2,160	5,400	6,323
Contributions	1,699	-	-	-	1,699	50
TOTAL EXPENSES	<u>\$ 1,552,930</u>	<u>\$ 83,946</u>	<u>\$ 523,552</u>	<u>\$ 607,498</u>	<u>\$ 2,160,428</u>	<u>\$ 2,342,219</u>

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

**AMIGOS TOGETHER FOR KIDS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND OPERATIONS

Amigos Together for Kids, Inc. (the “Organization”) is a Florida not-for-profit corporation chartered in 1992. Its purpose is to raise funds in order to help South Florida’s abused, abandoned and less fortunate children and their families through education, prevention and community involvement. The Organization raises funds in the community through fundraising activities, contributions and grants.

Financial Statement Presentation

Under generally accepted accounting principles (GAAP) for not-for-profit organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, which represents the expendable resources that are available for operations at management’s discretion; temporarily restricted net assets, which represents resources restricted by donors as to purpose or by the passage of time; and permanently restricted net assets, which represents resources whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization. The Organization presently has no permanently restricted net assets.

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Restricted Cash

Restricted cash consists of temporarily restricted cash and unearned revenues received in advance.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation.

Property and equipment is depreciated over its estimated useful lives using the straight line depreciation method. The Organization estimates the useful lives of these assets as follows:

Computers	5 years
Furniture	7 years
Office Equipment	5 years

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period are recorded as unrestricted contributions.

AMIGOS TOGETHER FOR KIDS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-Kind Donations

The Organization receives donated goods and services. Donated goods are recognized at their current fair value. The Organization recognizes donated services in accordance with FASB ASC which requires the fair value of donated services to be recognized in the financial statements if the services either (a) create or enhance a non-financial asset or (b) require specialized skills, are provided by entities or persons possessing those skills, and would need to be purchased if they were not donated. If the above criteria are not met, the donated services are not recognized in the financial statements.

Income Taxes

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

As of June 30, 2016, the tax years that remain subject to examination by taxing authorities are the returns for years ending 2013, 2014 and 2015. Management believes that all positions taken in those returns would be sustained if examined by taxing authorities.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk, consist primarily of cash maintained in financial institutions in excess of federally insured limits. The Organization generally limits the amount of credit exposure by maintaining its cash balances under these limits. Although cash balances may exceed federally insured limits at times during the year, the Organization has not experienced and does not expect to incur any losses in such amounts.

Subsequent Events

The Organization has evaluated subsequent events through December 16, 2016 which is the date the financial statements were available to be issued.

NOTE 2 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are composed of amounts received by the Organization whose use was limited either the passage of time or stipulations set forth by the donor. As of June 30, 2016, temporarily restricted net assets consisted of the following:

After School Program -	
Comcast	\$ 5,527
	<u>\$ 5,527</u>
Funds are held as follows:	
Cash	\$ 5,527
	<u>\$ 5,527</u>

AMIGOS TOGETHER FOR KIDS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

NOTE 3 – COMMITMENTS AND CONTINGENCIES

The Organization entered into a lease agreement with the City of Miami to lease the land and facilities known as the Jose Marti Park, located at 353 SW 4th Street, to provide after school programs, recreational programs, cultural activities and facilities to benefit people of various ages living in the area. The term of the lease is for three years with two renewal terms of three years each, commencing on May 2005. The Organization must maintain the leased property and shall not make any structural alterations to the new building without the written consent of the city. The amount payable on the lease is \$1 per month.

The Organization entered into a lease agreement maturing on December 20, 2017 for office space totaling approximately \$3,000 per month. Total rent expense related to the office and storage space for the twelve months ended June 30, 2016 was \$38,730.

The following is a schedule of approximate future minimum lease payments:

<u>June 30,</u>	<u>Amount</u>
2017	\$ 19,620

NOTE 4 – IN KIND DONATIONS

In-kind donations consist of donated services and goods for the domino tournament in the amount of \$395,007, donated services and goods for the toy drive in the amount of \$309,642 and professional fees for all other fundraising events, all program services, and general and administrative matters in the amount of \$425,249.

NOTE 5 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 6 – JOINT ACTIVITIES

In June 2016, the Organization held a domino tournament. The Organization used this event to bring awareness to the public on child abuse, neglect and abandonment, as well as to raise funds for its mission. The costs of the domino tournament were allocated between program services and fundraising in the amount of \$192,503 and \$357,506, respectively.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Directors
Amigos Together for Kids, Inc.
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Amigos Together for Kids, Inc. (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 16, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 16, 2016