

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, 2014
(WITH COMPARATIVE TOTALS FOR THE
YEAR ENDED JUNE 30, 2013)

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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, 2014, 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, 2014, 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 2013 financial statements, and our report dated December 16, 2013, 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, 2013, 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 19, 2014, 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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 19, 2014

AMIGOS TOGETHER FOR KIDS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 (WITH COMPARATIVE TOTALS AS OF JUNE 30, 2013)

	<u>2014</u>	<u>2013 Comparative Totals</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, including temporarily restricted of \$22,633	\$ 223,498	\$ 249,479
Restricted cash	-	4,775
Accounts receivable, net	199,427	204,545
Other current assets	21,532	10,038
TOTAL CURRENT ASSETS	<u>444,457</u>	<u>468,837</u>
PROPERTY AND EQUIPMENT, net	<u>24,714</u>	<u>7,411</u>
TOTAL ASSETS	<u><u>\$ 469,171</u></u>	<u><u>\$ 476,248</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 87,367	\$ 84,165
Deferred revenues	12,550	58,350
TOTAL CURRENT LIABILITIES	<u>99,917</u>	<u>142,515</u>
NET ASSETS		
Unrestricted	346,621	294,214
Temporarily restricted	22,633	39,519
TOTAL NET ASSETS	<u>369,254</u>	<u>333,733</u>
COMMITMENTS		
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 469,171</u></u>	<u><u>\$ 476,248</u></u>

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

AMIGOS TOGETHER FOR KIDS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	2014			2013
	Unrestricted	Temporarily Restricted	Total	Comparative Totals
SUPPORT AND REVENUE				
Domino tournament, including in-kind of \$248,432	\$ 674,522	\$ -	\$ 674,522	\$ 822,099
Grants and contributions	343,092	20,496	363,588	390,646
Special events and other, including in-kind of \$984,155	1,205,635	-	1,205,635	562,858
Net assets released from restriction	37,382	(37,382)	-	-
TOTAL SUPPORT AND REVENUE	2,260,631	(16,886)	2,243,745	1,775,603
EXPENSES AND LOSSES				
Expenses:				
Program services	1,668,800	-	1,668,800	1,102,706
Supporting activities	539,424	-	539,424	618,807
TOTAL EXPENSES AND LOSSES	2,208,224	-	2,208,224	1,721,513
CHANGE IN NET ASSETS	52,407	(16,886)	35,521	54,090
NET ASSETS - Beginning of year	294,214	39,519	333,733	279,643
NET ASSETS - End of year	\$ 346,621	\$ 22,633	\$ 369,254	\$ 333,733

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

AMIGOS TOGETHER FOR KIDS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>2014</u>	<u>2013 Comparative Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	<u>\$ 35,521</u>	<u>\$ 54,090</u>
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES:		
Depreciation	2,484	1,704
Decrease (Increase) in accounts receivable	5,118	(71,746)
Increase in other current assets	(11,494)	(6,171)
Increase in accounts payable and accrued expenses	3,202	45,442
Decrease in deferred revenue	<u>(45,800)</u>	<u>(2,744)</u>
Total Adjustments	<u>(46,490)</u>	<u>(33,515)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(10,969)</u>	<u>20,575</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	<u>(19,787)</u>	<u>(2,145)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(19,787)</u>	<u>(2,145)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(30,756)	18,430
CASH AND CASH EQUIVALENTS - Beginning of year	<u>254,254</u>	<u>235,824</u>
CASH AND CASH EQUIVALENTS - End of year	<u>\$ 223,498</u>	<u>\$ 254,254</u>
	Cash and cash equivalents	\$ 223,498
	Restricted cash	\$ -
	<u>\$ 223,498</u>	<u>\$ 249,479</u>
		<u>4,775</u>
		<u>\$ 254,254</u>

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, 2014 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

EXPENSES	Program Services	Supporting Activities			2014 Total	2013 Comparative Totals
		General & Administrative	Fund Raising	Sub-Total		
Salaries, taxes and benefits	344,250	\$ 49,080	\$ 57,782	\$ 106,862	\$ 451,112	\$ 403,726
Domino tournament expenses, including in-kind of \$248,432	144,854	-	269,015	269,015	413,869	586,088
Professional fees, including in-kind of \$81,472	91,614	13,608	36,889	50,497	142,111	105,913
Other expenses	117,193	-	-	-	117,193	53,315
Toy drive expenses, including in-kind of \$180,103	253,553	-	-	-	253,553	259,331
Other events, including in-kind of \$719,159	669,408	-	74,690	74,690	744,098	218,299
Office expenses, including in-kind of \$3,421	15,725	11,503	7,912	19,415	35,140	41,494
Rent	22,631	4,746	9,095	13,841	36,472	40,059
Telephone	5,238	816	1,799	2,615	7,853	7,250
Insurance	3,734	622	1,867	2,489	6,223	6,038
Contributions	600	-	-	-	600	-
TOTAL EXPENSES	\$ 1,668,800	\$ 80,375	\$ 459,049	\$ 539,424	\$ 2,208,224	\$ 1,721,513

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, 2014**

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.

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.

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.

**AMIGOS TOGETHER FOR KIDS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

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

As of June 30, 2014, the tax years that remain subject to examination by taxing authorities begin with 2010. Tax returns for 2010, 2011, 2012 and 2013 remain open to examination by taxing authorities. 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.

Concentration of Credit Risk

At various times the Organization may maintain cash deposits with financial institutions in excess of the \$250,000 limit insured by the Federal Deposit Insurance Corporation. Cash and cash equivalents did not exceed federally insured limits for the year ended June 30, 2014.

Subsequent Events

The Organization has evaluated subsequent events through December 19, 2014, 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, 2014, temporarily restricted net assets consisted of the following:

After School Program -	
Jose Marti Park	\$ 2,378
Escalera	20,255
	<u>\$ 22,633</u>

Funds are held as follows:

Cash	\$ 22,633
	<u>\$ 22,633</u>

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, 2014 was \$36,473.

AMIGOS TOGETHER FOR KIDS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 3 – COMMITMENTS AND CONTINGENCIES (Continued)

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

<u>June 30,</u>	<u>Amount</u>
2015	\$ 36,485
2016	\$ 38,307
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 \$248,432, donated services and goods for the toy drive in the amount of \$180,103 and professional fees for all other fundraising events, all program services, and general and administrative matters in the amount of \$804,052.

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 2014, 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 \$144,854 and \$269,015, 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, 2014, 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 19, 2014.

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 19, 2014