

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**

FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT

YEARS ENDED SEPTEMBER 30, 2024 and 2023

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(954) 561-2826 Office
(954) 440-5579 Fax
Admin@SullivanFenglerCPA.com

MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

1451 W. Cypress Creek Road, Suite 300
Fort Lauderdale, FL 33309

INDEPENDENT AUDITORS' REPORT

Board of Directors of
Healthy Mothers-Healthy Babies
Coalition of Broward County, Inc.

Opinion

We have audited the accompanying financial statements of Healthy Mothers-Healthy Babies Coalition of Broward County, Inc. (a nonprofit organization) (the "Organization"), which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities, functional expenses, 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 Organization as of September 30, 2024 and 2023, 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 Organization 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 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.

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.

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 Organization'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 Organization'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.

Sullivan & Fengler

Sullivan & Fengler
Fort Lauderdale, Florida
March 3, 2025

FINANCIAL STATEMENTS

**HEALTHY MOTHERS - HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.
STATEMENTS OF FINANCIAL POSITION
September 30, 2024 and 2023**

ASSETS

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents (Note B)	\$ 550,401	\$ 559,384
Grants receivable	150,247	202,322
Other receivables	1,225	-
Investment - certificate of deposit (Note G)	176,372	26,372
Prepaid expenses	8,450	6,317
Operating lease right of use (Note E)	102,641	166,087
Finance lease property and equipment (less accumulated depreciation of \$4,994 and \$2,546 for 2024 and 2023, respectively) (Note E)	3,485	5,933
Deposits	10,496	10,496
Property and equipment (less accumulated depreciation of \$137,025 and \$126,756 for 2024 and 2023, respectively) (Note C)	<u>12,139</u>	<u>22,408</u>
TOTAL ASSETS	<u>\$ 1,015,456</u>	<u>\$ 999,319</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expenses	\$ 68,883	\$ 45,707
Operating lease liability (Note E)	102,641	166,087
Financing lease liability (Note E)	<u>3,485</u>	<u>5,933</u>
TOTAL LIABILITIES	<u>175,009</u>	<u>217,727</u>
Net Assets:		
Without donor restrictions	514,206	576,433
With donor restrictions (Note I)	<u>326,241</u>	<u>205,159</u>
TOTAL NET ASSETS	<u>840,447</u>	<u>781,592</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,015,456</u>	<u>\$ 999,319</u>

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

**HEALTHY MOTHERS - HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**

STATEMENT OF ACTIVITIES
Year Ended September 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Education services	\$ 21,991	\$ 20,000	\$ 41,991
Grants and contracts	878,002	392,644	1,270,646
Contributions	23,422	-	23,422
In-kind revenue (Note B)	145,991	-	145,991
Interest income	1,014	-	1,014
Gross special event revenue	221,053	-	221,053
Net assets released from restrictions	291,562	(291,562)	-
Total revenue and support	<u>1,583,035</u>	<u>121,082</u>	<u>1,704,117</u>
Expenses:			
Program service expenses	<u>1,354,176</u>	<u>-</u>	<u>1,354,176</u>
Supporting service expenses:			
Management and general	159,855	-	159,855
Fundraising and development	131,231	-	131,231
Total supporting services expenses	<u>291,086</u>	<u>-</u>	<u>291,086</u>
Total expenses	<u>1,645,262</u>	<u>-</u>	<u>1,645,262</u>
Change in Net Assets	(62,227)	121,082	58,855
Net Assets, Beginning of Year	576,433	205,159	781,592
Net Assets, End of Year	<u>\$ 514,206</u>	<u>\$ 326,241</u>	<u>\$ 840,447</u>

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

**HEALTHY MOTHERS - HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**

STATEMENT OF ACTIVITIES
Year Ended September 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Education services	\$ 29,254	\$ -	\$ 29,254
Grants and contracts	1,219,279	191,300	1,410,579
Contributions	13,164	-	13,164
In-kind revenue (Note B)	159,338	-	159,338
Interest income	1,119	-	1,119
Gross special event revenue	154,430	-	154,430
Employee retention credit (Note F)	447,700	-	447,700
Net assets released from restrictions	107,276	(107,276)	-
Total revenue and support	<u>2,131,560</u>	<u>84,024</u>	<u>2,215,584</u>
Expenses:			
Program service expenses	<u>1,648,258</u>	<u>-</u>	<u>1,648,258</u>
Supporting service expenses:			
Management and general	193,844	-	193,844
Fundraising and development	<u>181,756</u>	<u>-</u>	<u>181,756</u>
Total supporting services expenses	<u>375,600</u>	<u>-</u>	<u>375,600</u>
Total expenses	<u>2,023,858</u>	<u>-</u>	<u>2,023,858</u>
Change in Net Assets	107,702	84,024	191,726
Net Assets, Beginning of Year	468,731	121,135	589,866
Net Assets, End of Year	<u>\$ 576,433</u>	<u>\$ 205,159</u>	<u>\$ 781,592</u>

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

HEALTHY MOTHERS - HEALTHY BABIES
 COALITION OF BROWARD COUNTY, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 Year Ended September 30, 2024

	PROGRAM SERVICES				SUPPORTING SERVICES			
	Prenatal Infant Health Programs	Fetal Infant Mortality Programs	Mental Health Programs	Total Program Expenses	Management and General	Fundraising	Total Supporting Expenses	Total
Salaries/taxes/benefits	\$ 406,088	\$ 412,353	\$ 108,192	\$ 926,633	\$ 110,753	\$ 63,718	\$ 174,471	\$ 1,101,104
Accounting and audit	1,893	2,447	312	4,652	4,698	4,929	9,627	14,279
Client services/items	75,397	125	598	76,120	-	-	-	76,120
Community awareness	8,723	8,723	2,181	19,627	3,601	1,306	4,907	24,534
Contractors/professional fees	393	43,470	-	43,863	2,000	-	2,000	45,863
Dues and subscriptions	2,779	4,771	1,008	8,558	6,661	5,642	12,303	20,861
Insurance	6,365	3,521	350	10,236	6,328	-	6,328	16,564
Office supplies	2,579	729	71	3,379	831	28	859	4,238
Meetings/conferences	-	-	-	-	-	541	541	541
Postage and delivery	-	191	400	591	-	490	490	1,081
Printing	2,099	3,215	119	5,433	-	199	199	5,632
Program materials	2,957	91,486	749	95,192	-	-	-	95,192
Promotional items/clients	7,549	1,259	-	8,808	-	-	-	8,808
Occupancy	53,483	53,483	13,371	120,337	24,017	4,209	28,226	148,563
Special events	-	-	-	-	-	47,001	47,001	47,001
Telephone	5,321	2,581	897	8,799	-	2,244	2,244	11,043
Training	4,343	-	-	4,343	-	-	-	4,343
Travel	8,582	603	-	9,185	41	-	41	9,226
Total expense before depreciation	588,551	628,957	128,248	1,345,756	158,930	130,307	289,237	1,634,993
Depreciation	2,536	2,608	3,276	8,420	925	924	1,849	10,269
Total	<u>\$ 591,087</u>	<u>\$ 631,565</u>	<u>\$ 131,524</u>	<u>\$ 1,354,176</u>	<u>\$ 159,855</u>	<u>\$ 131,231</u>	<u>\$ 291,086</u>	<u>\$ 1,645,262</u>
				82.3%	9.7%	8.0%		

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

HEALTHY MOTHERS - HEALTHY BABIES
 COALITION OF BROWARD COUNTY, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 Year Ended September 30, 2023

	PROGRAM SERVICES				SUPPORTING SERVICES			
	Prenatal Infant Health Programs	Fetal Infant Mortality Programs	Mental Health Programs	Total Program Expenses	Management and General	Fundraising	Total Supporting Expenses	Total
Salaries/taxes/benefits	\$ 326,599	\$ 330,704	\$ 463,091	\$ 1,120,394	\$ 90,911	\$ 100,748	\$ 191,659	\$ 1,312,053
Accounting and audit	1,668	997	2,000	4,665	3,580	500	4,080	8,745
Client services/items	31,535	665	10,072	42,272	3,674	1,399	5,073	47,345
Community awareness	-	-	-	-	-	1,340	1,340	1,340
Contractors/professional fees	15,620	57,247	19,625	92,492	24,449	23,198	47,647	140,139
Dues and subscriptions	2,754	5,665	5,462	13,881	4,132	5,677	9,809	23,690
Insurance	26,392	16,149	28,436	70,977	27,878	-	27,878	98,855
Office supplies	2,019	640	961	3,620	877	112	989	4,609
Meetings/conferences	-	-	-	-	-	500	500	500
Postage and delivery	473	59	650	1,182	-	-	-	1,182
Printing	2,025	799	1,011	3,835	26	914	940	4,775
Program materials	34,232	56,470	42,267	132,969	-	-	-	132,969
Promotional items/clients	240	144	7,478	7,862	9,445	-	9,445	17,307
Occupancy	34,541	26,115	50,526	111,182	24,415	1,534	25,949	137,131
Special events	-	-	-	-	-	44,501	44,501	44,501
Telephone	7,865	3,709	6,715	18,289	2,825	66	2,891	21,180
Training	3,139	-	2,220	5,359	361	-	361	5,720
Travel	6,925	623	167	7,715	-	-	-	7,715
Total expense before depreciation	496,027	499,986	640,681	1,636,694	192,573	180,489	373,062	2,009,756
Depreciation	3,481	3,587	4,496	11,564	1,271	1,267	2,538	14,102
Total	<u>\$ 499,508</u>	<u>\$ 503,573</u>	<u>\$ 645,177</u>	<u>\$ 1,648,258</u>	<u>\$ 193,844</u>	<u>\$ 181,756</u>	<u>\$ 375,600</u>	<u>\$ 2,023,858</u>
				81.4%	9.6%	9.0%		

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

**HEALTHY MOTHERS - HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**
STATEMENTS OF CASH FLOWS
For the Years Ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (TO) OPERATING ACTIVITIES		
Change in net assets	\$ 58,855	\$ 191,726
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,269	14,102
(Increase) decrease in operating assets:		
Grants receivable	52,075	17,846
Other receivables	(1,225)	300
Prepaid expenses	(2,133)	11,241
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	23,176	(2,089)
Net assets (used) provided by operating activities	<u>141,017</u>	<u>233,126</u>
 CASH FLOWS FROM (TO) INVESTING ACTIVITIES		
Sale of investment	(176,372)	26,333
Purchase of investment	26,372	(26,372)
Net assets used by investing activities	<u>(150,000)</u>	<u>(39)</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 (8,983)	 233,087
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 <u>559,384</u>	 <u>326,297</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 550,401</u>	<u>\$ 559,384</u>

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

NOTES TO FINANCIAL STATEMENTS

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023

Note A - Nature of Activities

Healthy Mothers-Healthy Babies Coalition of Broward County, Inc. (the "Organization" or "HMHB") is dedicated to strengthening families and improving birth outcomes in the underserved communities within Broward County through comprehensive programs, education and access to vital support services. The Organization serves all families of Broward County but focuses primarily on those unable to afford private care. Service is accomplished through the following programs:

Healthy Families

Healthy Families, funded by the Healthy Start Coalition through Children Service Council and Ounce of Prevention provides services to pregnant or parenting families at high risk for child neglect and/or abuse. Family support workers assist families to improve all parent-child interactions and gain self-sufficiency and access to necessary health care and support services.

M-Power – Maternal Depression Program

M-Power program is funded through the Cigna Foundation and Broward Behavioral Health Coalition, is a voluntary home visiting program for women who are pregnant or have a child under the age of one living in Broward County. The M-Power program provides counseling, parenting education, and case management services to women who are experiencing depression, anxiety, trauma, and difficulty bonding with the baby during pregnancy and postpartum. Services are provided in English and Spanish.

Mahogany

The Mahogany Project, funded by Broward County Community Partnerships Division, is a health education program targeting high-risk pregnant women in the 33311, 33309, 33313, 33319, and 33068 zip codes. Mothers learn how to monitor and improve their health. They also learn how to care for and maintain the health of their baby through parenting education. Funding through the A.D. Henderson Foundation expanded services throughout all Broward County zip codes. Mahogany clients are also connected with community resources to meet their family's needs.

Emergency Basic Needs Program

The Emergency Basic Needs program, funded by the United Way of Broward, The Batchelor Foundation, Holman Enterprises, City of Lauderhill, Broward Sheriffs Office, and Gore Foundation provides emergency financial services in a one-stop process that helps individuals and families in crisis to meet their emergency and short-term basic needs at one location. Families also receive navigation to other resources. Families and individuals may receive a voucher for food, rent/housing, utility assistance, and/or other necessities. The program will work to ensure that all clients who apply for assistance receive navigation and follow up to additional services as needed, to not just meet immediate needs, but assist in creating long term sustainability.

Moms4Wellness/CTG

The Moms4Wellness Program is funded by Community Foundation, Department of Health, and the Jim Moran Foundation. The program is designed for at-risk Black/African American and Hispanic Pregnant women to reduce gestational hypertension and diabetes. Clients receive customized exercises and activities designed by a Certified Personal Trainer; nutrition counseling and diet planning sessions; health education; health assessments, care coordination; linkage to community resources, and Doula support.

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023

Note A - Nature of Activities - continued

Forget Me Not®

Forget Me Not program, provides ongoing bereavement support through individual peer counseling and/or the monthly Healing Your Heart support group. The annual Forget Me Not event is held each October. Forget Me Not is fully funded through private donations and helps to remember the babies who have been lost but are not forgotten.

Direct On-Scene Education (D.O.S.E).

D.O.S.E. is a cutting-edge approach to saving babies. Fire Rescue first responders and Child Protection Investigators trained in D.O.S.E. identify unsafe sleep conditions when in the home to educate parents on safe sleep practices and provide a Pack 'N Play portable cribs.

Note B - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of Healthy Mothers-Healthy Babies Coalition of Broward County, Inc. have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. These donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time.

Cash and Cash Equivalents

The Organization's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase.

Grants

Grants are recognized as revenue in the period when the conditions on which they depend are substantially met.

See Note I for more information on the composition of net assets with donor restrictions.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023

Note B - Summary of Significant Accounting Policies - continued

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, securities and other assets, an unconditional promise to give, or notification of the beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Property and Equipment

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives range from three to five years. The Organization's policy is to capitalize renewals and betterments acquired for greater than \$1,000 and expense normal repairs and maintenance as incurred. The Organization's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

Accounts and Grants Receivable

Accounts and grants receivable are carried at face amounts less an allowance for credit losses. On a periodic basis, they are evaluated and an allowance for credit losses is established based on a combination of specific customer circumstances, credit conditions and the history of write-offs and collections. No allowance was deemed necessary as of September 30, 2024 or 2023.

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023

Note B - Summary of Significant Accounting Policies – continued

In-Kind Donations

The Organization received donated services, materials, and use of facilities of \$145,991 and \$159,338 for the years ended September 30, 2024 and 2023, respectively. Such amounts, which are based upon information provided by third-party service providers, are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and supporting services on the accompanying statements of activities and statements of functional expenses as follows:

	<u>Year Ended</u> <u>September 30, 2024</u>	<u>Year Ended</u> <u>September 30, 2023</u>
Occupancy	\$ 59,223	\$ 60,521
Contractors/Professional fees	2,040	750
Client services/items	84,728	98,067
	<u>\$ 145,991</u>	<u>\$ 159,338</u>

Volunteers have made significant contributions of their time in furtherance of the Organization's mission. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among services and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort
Contractors/professional fees	Time and effort
Occupancy	Square footage
Depreciation	Full Time Equivalent
Printing	Full Time Equivalent
Travel	Time and effort
Training	Time and effort
Telephone	Time and effort

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023

Note B - Summary of Significant Accounting Policies – continued

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. The Organization has determined that there was no material difference between the carrying value and fair value of its financial assets and liabilities at September 30, 2024 or 2023; therefore, no adjustment was made to the Organization's financial statements.

Income Taxes

The Organization qualified as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, and therefore has no provision for federal income tax. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private organization under Section 509(a)(2). Income from certain Organization activities not directly related to its tax-exempt purpose may be subject to income tax. The current and previous three years information returns remain subject to examination by the IRS. There was no unrelated business income or deferred taxes for the year ended September 30, 2024 or 2023.

Adoption of New Accounting Principle

In 2022, the Organization adopted Accounting Standards Update 2016-02, Leases, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. As a result, adopting ASU 2016-02 had no impact on beginning net assets. See Note E.

Note C - Property and Equipment

Property and equipment consist of the following at September 30,

	<u>2024</u>	<u>2023</u>
Computer equipment	\$ 74,419	\$ 74,419
Office equipment	27,895	27,895
Leasehold improvements	26,521	26,521
Furniture and fixtures	20,329	20,329
	<u>149,164</u>	<u>149,164</u>
Accumulated depreciation	<u>(137,025)</u>	<u>(126,756)</u>
	<u>\$ 12,139</u>	<u>\$ 22,408</u>

The aggregate depreciation charged to operations for equipment and furnishings was \$10,269 and \$14,102 for the years ending September 30, 2024 and 2023, respectively.

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023

Note D - Commitments and Contingencies

Grants and Awards

Amounts received from grantor agencies are subject to additional audit and adjustment by the grantor agency. As a result of such audits, the grantor may require that amounts be returned.

Funding agreements for services to be provided are entered into on an annual basis. The release of funds is subject to monies being made available by local governments.

NOTE E – LEASES

In 2022, the Organization adopted Accounting Standards Update 2016-02, Leases, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. As a result, adopting ASU 2016-02 had no impact on beginning net assets. The adoption of this standard resulted in the recording of an operating lease asset and liability of \$230,775, and a finance lease asset and liability of \$8,479, at October 1, 2022. The adoption did not result in a significant effect on amounts reported in the statement of activities for the year ended September 30, 2023.

The Organization has entered into an operating lease for office equipment. Rent expense on this operating lease was \$2,546 and 6,723 for the years ended September 30, 2024 and 2023, respectively.

In December 2020, the Organization entered into a commercial lease for the rental of office space. The lease is for a sixty-two-month term and commenced April 1, 2021, with rent commencing June 1, 2021. The first-year rent was \$5,250 monthly with payment increase on June 1, of the following years; 2022 \$5,355, 2023 \$5,462, 2024 \$5,571, and 2025 \$5,682. Rent expense was \$65,982 and \$63,630 for the years ended September 30, 2024 and 2023, respectively.

The following summarizes the line items in the statement of financial position which include amounts for operating and finance leases as of September 30:

	<u>2024</u>	<u>2023</u>
<u>Operating Leases</u>		
Operating lease right of use asset	<u>\$ 102,641</u>	<u>\$ 166,087</u>
Operating lease right of use liability	<u>\$ (102,641)</u>	<u>\$ (166,087)</u>
<u>Finance Leases</u>		
Finance lease property and equipment net of accumulated depreciation	\$ 3,485	\$ 5,933
Finance lease liability	<u>(3,485)</u>	<u>(5,933)</u>
Total leases	<u>\$ 106,126</u>	<u>\$ 172,020</u>

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023**

NOTE E – LEASES - continued

Future minimum commitments for the above leases are as follows as of September:

2025	\$ 64,771
2026	41,688
Total lease payments	<u>106,459</u>
Less interest	431
Present value of lease liabilities	<u>\$ 106,028</u>

The following summarizes the weighted average remaining lease term and discount rate as of September 30, 2024:

Weighted Average Remaining Lease Term	
Operating leases	2 Years
Finance leases	2 Years
Weighted Average Discount Rate	
Operating leases	4.24%
Finance leases	4.24%

Note F – Employee Retention Credit

The Organization qualified for the Employee Retention Credit which is a refundable tax credit for certain eligible businesses and tax-exempt organizations that had employees and were affected during the COVID-19 pandemic.

Note G - Other Investments - Certificates of Deposit

The Organization purchased a twelve-month certificate of deposit earning 0.1% interest. The certificate may incur penalties for early withdrawal of funds. It is the intent of the Organization to hold the investments until maturity.

Note H - Subsequent Events

The Organization has evaluated subsequent events through March 3, 2025, which is the date the financial statements were available to be issued.

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.**
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023

Note I - Net Assets With Donor Restrictions

The following is summary of the net assets with donor restrictions:

September 30, 2024:	Beginning Balance 9/30/2023	Contributions	Restriction Satisfied	Ending Balance 9/30/2024
Infant Mortality				
Research/Prevention	\$ 10,000	\$ 238,600	\$ 45,914	\$ 202,686
Administrative/Operations	3,295	-	3,295	-
Basic Needs	83,578	-	83,578	-
Parental Infant Health	103,112	154,044	158,775	98,381
Educational Services	-	20,000	-	20,000
Forget-Me-Not	5,174	-	-	5,174
	<u>\$ 205,159</u>	<u>\$ 412,644</u>	<u>\$ 291,562</u>	<u>\$ 326,241</u>

September 30, 2023:	Beginning Balance 9/30/2022	Contributions	Restriction Satisfied	Ending Balance 9/30/2023
Infant Mortality				
Research/Prevention	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Administrative/Operations	18,295	-	15,000	3,295
Basic Needs	16,499	79,800	12,721	83,578
Baby Shower	23,022	-	23,022	-
Parental Infant Health	24,005	101,500	22,393	103,112
Get the Facts	22,365	-	22,365	-
Forget-Me-Not	6,949	-	1,775	5,174
	<u>\$ 121,135</u>	<u>\$ 191,300</u>	<u>\$ 107,276</u>	<u>\$ 205,159</u>

**HEALTHY MOTHERS-HEALTHY BABIES
COALITION OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2024 and 2023**

Note J - Liquidity and Availability of Resources

The Organization maintains a policy of operating within a prudent range of financial soundness and stability, structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due and operating within the annual approved budget. The Organization also received contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures. To achieve this, the Organization forecasts its future cash flows and monitors its liquidity on a monthly basis. The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 550,401	\$ 559,384
Grants receivable	150,247	202,322
Other receivables	1,225	-
Investment certificate of deposit	<u>176,372</u>	<u>26,372</u>
Total financial assets available within one year	878,245	788,078
Less:		
Amounts unavailable for general expenditures within one year: Restricted by donors with purpose/time restrictions	<u>326,241</u>	<u>205,159</u>
Total financial assets available to management within one year	<u>\$ 552,004</u>	<u>\$ 582,919</u>