

**FARMWORKER COORDINATING COUNCIL OF PALM BEACH COUNTY, INC.
(A Not-for-Profit Corporation)**

FINANCIAL STATEMENTS

For the years ended

JUNE 30, 2018 and 2017

**FRIEDMAN FELDMESSER & KARPELES CPA LLC
CERTIFIED PUBLIC ACCOUNTANTS**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Farmworker Coordinating Council of Palm Beach County, Inc.
Lake Worth, Florida

Report on the Financial Statements

We have audited the accompanying statements of financial position of Farmworker Coordinating Council of Palm Beach County, Inc., ("FWCC") as of June 30, 2018 and 2017, 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.

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. 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

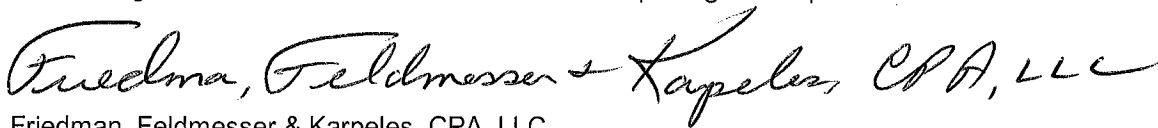
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FWCC, as of June 30, 2018 and 2017, and the change in net assets and cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America.

Other Reporting Required by *Government Auditing Standards*

The "Schedule of Government Financial Assistance and Expenditures" on page 15, is presented for purposes of additional analysis, and is not a required part of the basic financial statements. Such information is the responsibility of the Organization's management and is derived from and relates directly to the underlying accounting records and other related information used to prepare the financial statements. The information has been subjected to audit procedures applied in the audits of the financial statements as at and for the years ended June 30, 2018 and 2017, and certain additional procedures including comparing and reconciling this information with the underlying accounting records in accordance with standards generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated, September 30, 2018, on our consideration FWCC's internal control over financial reporting and on our tests of its compliance with laws, regulations, contracts, 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 the 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 Council's internal control over financial reporting or compliance.



Friedman, Feldmesser & Karpeles, CPA, LLC
Jupiter, Florida
September 30, 2018

Farmworker Coordinating Council of Palm Beach
(A Not-for-Profit Corporation)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 498,969	\$ 400,770
Investments, at market	324,644	317,076
Program funds receivable	135,205	154,294
Other current assets	9,700	2,514
Deposits	<u>3,100</u>	<u>3,100</u>
 Total current assets	 971,618	 877,754
 Property and equipment, net of accumulated depreciation	 <u>362,912</u>	 <u>382,076</u>
 TOTAL ASSETS	 <u><u>\$ 1,334,530</u></u>	 <u><u>\$ 1,259,830</u></u>
 LIABILITIES AND NET ASSET		
LIABILITIES		
Accounts payable	\$ 4,502	\$ 3,704
Accrued expenses	20,267	16,114
Refundable advances	79,136	22,751
Current Portion of mortgage payable	<u>19,840</u>	<u>22,259</u>
 Total current liabilities	 123,745	 64,828
 Mortgage payable	 <u>139,790</u>	 <u>189,531</u>
 TOTAL LIABILITIES	 <u><u>\$ 263,535</u></u>	 <u><u>\$ 254,359</u></u>
 NET ASSETS		
Unrestricted	827,917	762,393
Temporarily Restricted	<u>243,078</u>	<u>243,078</u>
 TOTAL NET ASSETS	 <u>1,070,995</u>	 <u>1,005,471</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 1,334,530</u></u>	 <u><u>\$ 1,259,830</u></u>

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

Farmworker Coordinating Council of Palm Beach
(A Not-For-Profit Corporation)
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
YEARS ENDED JUNE 30, 2018 and 2017

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>2018</u>	<u>2017</u>
REVENUES AND OTHER SUPPORT				
Governmental support	\$ 216,705	\$ -	\$ 216,705	\$ 196,936
Community support	121,862	110,000	\$ 231,862	220,155
Foundations	369,210	27,700	396,910	267,751
Other support	41,545	-	41,545	42,057
Fundraising	91,154	-	91,154	57,049
Investment Income	8,353	-	8,353	9,072
Total revenues and support	<u>848,829</u>	<u>137,700</u>	<u>986,529</u>	<u>793,020</u>
Net assets released from restrictions	<u>137,700</u>	<u>(137,700)</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES AND OTHER SUPPORT	<u><u>986,529</u></u>	<u><u>-</u></u>	<u><u>986,529</u></u>	<u><u>793,020</u></u>
EXPENSES				
Program	816,973		816,973	678,884
Management and general	92,472		92,472	88,826
Fundraising	11,560		11,560	7,307
TOTAL EXPENSES	<u>921,005</u>	<u>-</u>	<u>921,005</u>	<u>775,017</u>
CHANGE IN NET ASSETS	65,524	-	65,524	18,003
NET ASSETS, BEGINNING	<u>762,393</u>	<u>243,078</u>	<u>1,005,471</u>	<u>987,468</u>
NET ASSETS, ENDING	<u><u>\$ 827,917</u></u>	<u><u>\$ 243,078</u></u>	<u><u>\$ 1,070,995</u></u>	<u><u>\$ 1,005,471</u></u>

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

Farmworker Coordinating Council of Palm Beach
(A Not-For-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2018 and 2017

	Program	Management and General	Fundraising	2018	2017
Emergency fund expenses:					
Food	\$ 7,442	\$ 505	\$ -	\$ 7,947	\$ 4,631
Utilities	3,583	-	-	3,583	11,908
Assistance to individuals	45,800	-	-	45,800	31,196
Shelter	85,576	-	-	85,576	27,036
Other	17,349	-	-	17,349	-
Property expenses:					
Rent	12,275	1,289	-	13,564	15,200
Utilities	6,850	4,288	-	11,138	12,493
Repairs and maintenance	2,003	7,272	-	9,275	5,300
Personnel expenses:					
Salaries	449,797	14,993	3,748	468,539	415,343
Payroll taxes and benefits	86,592	8,659	962	96,213	94,514
Vehicle expenses:					
Insurance	2,498	10,649	-	13,147	13,549
Gas, toll and parking	9,031	-	-	9,031	7,032
Office and administrative expenses:					
Telephone	8,145	3,326	-	11,470	12,377
Supplies	4,088	-	-	4,088	5,697
Professional fees	25,214	21,479	-	46,693	51,262
Printing and postage	3,058	-	-	3,058	2,780
Equipment repairs and maintenance	7,392	1,965	-	9,357	8,649
Insurance	5,620	2,079	-	7,699	4,736
Interest	-	8,588	-	8,588	9,538
Other	409	1,000	-	1,409	2,702
Other expenses:					
Events and special projects	8,260	5,037	6,850	20,147	8,262
Conferences and travel	-	-	-	-	-
Project supplies	-	-	-	-	567
Depreciation	25,530	1,344	-	26,874	30,000
Training and development	460	-	-	460	245
TOTAL EXPENSES	\$ 816,974	\$ 92,472	\$ 11,560	\$ 921,005	\$ 775,017

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

Farmworker Coordinating Council of Palm Beach
(A Not-For-Profit Corporation)
STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
INCREASE IN NET ASSETS	\$ 65,524	\$ 18,003
ADJUSTMENTS TO RECONCILE INCREASE IN NET ASSETS TO NET CASH USED IN OPERATING ACTIVITIES		
Investment increase in fair value	(8,589)	(9,072)
Depreciation	26,874	30,000
(INCREASE) DECREASE IN OPERATING ASSETS		
Program funds receivable	19,089	2,657
Other assets	(7,186)	(2,514)
INCREASE (DECREASE) IN OPERATING LIABILITIES		
Accounts payable	798	3,142
Accrued expenses	4,153	(3,898)
Other liabilities	56,385	(14,749)
NET CASH PROVIDED BY OPERATING ACTIVITIES	157,048	23,569
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest collected	1,021	671
Purchase of equipment	(7,710)	-
NET CASH FLOWS USED BY INVESTING ACTIVITIES	(6,689)	671
CASH FLOWS FROM FINANCING ACTIVITIES		
Net mortgage payments	(52,160)	(21,212)
NET CASH FLOWS USED BY FINANCING ACTIVITIES	(52,160)	(21,212)
NET INCREASE IN CASH AND CASH EQUIVALENTS	98,199	3,028
CASH AND CASH EQUIVALENTS, BEGINNING	400,770	397,742
CASH AND CASH EQUIVALENTS, ENDING	\$ 498,969	\$ 400,770

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

FARMWORKER COORDINATING COUNCIL OF PALM BEACH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 and 2017

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Farmworker Coordinating Council of Palm Beach County, Inc. (FWCC) is presented to assist in understanding FWCC's financial statements. The financial statements and notes are representations of FWCC's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied to the preparation of the financial statements.

Organization

The Farmworker Coordinating Council of Palm Beach County, Inc., is a Florida nonprofit corporation organized in 1978. The mission of FWCC is to promote self-sufficiency and improve the quality of life of migrant and seasonal farm workers through education, advocacy and access to services. Some of the programs offered by FWCC include:

The Family Preservation & Economic Stabilization (FPES) program is designed to empower clients to move from crisis to stability through ongoing support fostering client independence. The program provides a variety of services such as Case Management, Emergency Rental and Utility Assistance, Distribution of Food and Clothing, Transportation, Financial Education, Referrals and other services that promote self-sufficiency and economic stabilization. The program is based out of two offices located in Lake Worth and Belle Glade, and services are provided by Case Managers that are familiar to the culture and needs of this population. All Case Managers are English-Spanish or English-Creole speakers.

The goal of the Community Health Access Teams (CHAT) is to facilitate access to healthcare services among uninsured and under insured, low income farmworker families. Many of these families are unable to access affordable health services because of barriers such as language, culture, immigration status and economic situation. CHAT accomplishes its goals by conducting outreach activities, health workshops and helping clients apply for Medicaid, KidCare, Healthcare District and other healthcare programs in our community. Client advocacy and transportation to medical appointments are key components of this program.

The Education Program offers a variety of programs for farmworkers and their children. The afterschool mentoring, and tutoring program aims to mitigate low education achievement levels, reduce the drop-out rate and bridge the educational gap that exists between children of farmworkers and the rest of the student population. We also offer a pre-K program to get children ready for school. Our Art Program seeks to educate children through art, and build self-esteem. The adult program offers a variety of classes (ESOL, Literacy, Basic computer, etc.) to help parents learn new skills that may help them find a better job or make better financial decisions that could lead to family economic stability.

Basis of Presentation

The accompanying financial statements include the assets, liabilities, net assets, revenues, and expenses as determined using the accrual basis of accounting. FWCC reports information regarding its financial position and activities according to three classes of net assets. The following is a description of each class:

Unrestricted Net Assets - not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by the actions of the Board of Directors.

Temporarily Restricted Net Assets - subject to donor-imposed stipulations that may be fulfilled by the actions of the Board of Directors or become unrestricted at the date specified by the donor.

Permanently Restricted Net Assets - subject to donor-imposed stipulations that are to be maintained permanently.

FARMWORKER COORDINATING COUNCIL OF PALM BEACH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 and 2017

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

Fair Value of Financial Instruments

FASB ASC 825, "Financial Instruments", requires certain disclosures regarding the fair value of financial instruments. FWCC has a number of financial instruments, none of which are held for trading purposes. FWCC estimates that the fair values of all financial instruments as of June 30, 2018 and 2017, do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statements of financial position. The estimated fair value amounts have been determined by FWCC using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value and, accordingly, the estimates are not necessarily indicative of the amounts that FWCC could realize in a current market exchange.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of public support and revenue, and expenses during the reporting period. Actual results could differ from those estimates.

Contributions and support

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. FWCC receives its operating funds from various public support programs, Palm Beach County, the State of Florida as well as private donations from individuals, businesses, churches and other nonprofit Councils.

Funding from Palm Beach County and State contracts are reimbursements for various expenses as outlined in the contracts.

Grant Income

FWCC receives various grants from state, local and private agencies for its program and supporting services. These grants are generally on a cost reimbursement basis. Revenues from grants are deemed earned and recognized on the Statement of Activities when expenditures are made for the purposes specified.

Fund-Raising Activities

FWCC's financial statements are presented in accordance with Accounting Standard Codification 958 ("ASC") *Accounting for Costs of Activities of Non-For-Profit Councils and State and Local Governments Entities that include Fund Raising* (formerly statement of position 98-2), the ASC established criteria for accounting and reporting for any activity that solicits contributions.

Donations

Assets donated to FWCC are recorded at fair value if determinable, at the date of donation. FWCC reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. FWCC also receives donations of furnishings, food and clothing for distribution to clients. If these donated items are of material value individually, they are recorded as a contribution when received.

FARMWORKER COORDINATING COUNCIL OF PALM BEACH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 and 2017

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers money market accounts and all highly liquid investments purchased with a maturity of three months or less (if any) to be cash equivalents.

Investments

Investments consist of a managed portfolio of mutual funds and equity securities which are reported at their fair values on the statement of financial position. Certificate of deposits with original maturities less than three months are classified as "cash or cash equivalents". When their original maturities are greater than three months and remaining maturities less than one year they are classified as "short-term investments". When their remaining maturities are greater than one year they are classified as "long-term investments." Investment returns is presented on the statement of activities as investment income, net and includes dividends, interest income, realized and unrealized gains and losses on investments, net of investment fees. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Property and equipment

Property and equipment purchases are recorded at cost. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the following estimated useful lives of the depreciable assets:

	<u>Years</u>
Building and improvements	15 - 40
Land improvements	15
Furniture, fixtures and equipment	5- 7
Vehicles	5

Allocation of Functional Expenses

The costs of providing program services have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the program services, management and general, and fundraising functions based on management's estimate of resources used. Expenses that apply to more than one functional category have been allocated among the programs and supporting services benefited.

Advertising

FWCC's advertising is primarily non-direct, and such costs are expensed as incurred. There were no advertising costs incurred during the years ended June 30, 2018 and 2017. FWCC receives about half of its revenues from government support and the other half from private and public donations through events and repeat donors.

Income taxes

FWCC is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

FARMWORKER COORDINATING COUNCIL OF PALM BEACH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 and 2017

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Subsequent Events

The subsequent events have been evaluated through September 30, 2018, the date the financial statements were available to be issued.

NOTE 2 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments are measured and disclosed at fair value on a recurring basis by applying ASC 820, *Fair Value Measurements and Disclosures*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing market participants at the measurement date. To increase consistency and comparability in fair value measurements and related disclosures, ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels, as follows:

Level 1 inputs – These are quoted prices (unadjusted) in active markets for identical assets or liabilities that FWCC has the ability to access at the measurement dates, such as stock quotes;

Level 2 inputs – These are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly in active markets, such as yield curves or other market data;

Level 3 inputs – These are unobservable inputs for the asset or liability, such as discounted cash flows.

The level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the measurement in its entirety.

The fair value of certificates of deposits and other time deposits are estimated using a discounted cash flow calculation that applies interest rates currently being offered for deposits of similar remaining maturities to a schedule of aggregated expected maturities on such deposits. Therefore, their fair values are observable, and these investments are considered a level 2 input.

Mutual fund securities - Valued at the net asset value ("NAV") of shares held by FWCC at year end.

The following is a summary of the fair value classification of investments at, June 30, 2018 and 2017:

	Level 1	Level 2	Level 3	Total at June 30, 2018
Certificate of deposits	\$ -	\$ 131,675	\$ -	\$ 131,675
Mutual funds	192,969	-	-	192,969
Total Investments at Fair Value	\$ 192,969	\$ 131,675	\$ -	\$ 324,644

FARMWORKER COORDINATING COUNCIL OF PALM BEACH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 and 2017

NOTE 2 – INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

	Level 1	Level 2	Level 3	Total at June 30, 2017
Certificate of deposits	\$ -	\$ 129,898	\$ -	\$ 129,898
Mutual funds	187,178	-	-	187,178
Total Investments at Fair Value	\$ 187,178	\$ 129,898	\$ -	\$ 317,076

The following is a summary of investment returns which is presented as Investment Income, net on the Statement of Activities for the years ended June 30, 2018 and 2017:

	2018	2017
Investment, beginning balance	\$ 317,076	\$ 308,675
Dividends and Interest	8,589	9,072
Investment fees	(1,021)	(671)
Investment, ending balance	\$ 324,644	\$ 317,076

NOTE 3 – CONCENTRATION OF CREDIT RISK

FWCC maintains its cash in various banks considered to be high quality financial institutions, whereby interest and non-interest-bearing deposits are insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). As of June 30, 2018, and 2017, FWCC did not hold account balances in excess of the insured limit.

FWCC maintains its investments at a high-quality brokerage firm, whereby holdings are insured up to \$500,000 by the Securities Investment Protection Corporation ("SIPC"). As of June 30, 2018, and 2017, FWCC did not hold account balances in excess of the insured limit.

NOTE 4 – PROPERTY AND EQUIPMENT

Major classifications of property and equipment at June 30, 2018 and 2017, are as follows:

	2018	2017
Land and building	\$ 349,451	\$ 349,451
Furniture, fixture and equipment	44,150	36,440
Leasehold improvements	5,383	5,383
Vehicles	66,494	66,494
Property and Equipment Total	465,478	457,768
<i>Less: accumulated depreciation</i>	<i>(102,566)</i>	<i>(75,692)</i>
Property and equipment, less accumulated depreciation	\$ 362,912	\$ 382,076

FARMWORKER COORDINATING COUNCIL OF PALM BEACH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 and 2017

NOTE 5 – MORTGAGE

FWCC has a mortgage note payable extended by a local bank. The note is secured by a first mortgage upon the office building in Lake Worth, Florida, and UCC filings upon all furniture and equipment at this location. The note requires monthly installments of principal and interest in the amount of \$2,562 based on a ten-year amortization schedule and interest at 4.20%, with a balloon payment due at the maturity date of August 17, 2025.

The approximate future maturities of the mortgage payable for the next years and thereafter are as follows:

Year Ending June 30,	Amount
2019	\$ 19,840
2020	19,950
2021	20,839
2022	21,768
2023	22,732
Thereafter	<u>54,501</u>
 Total	 <u><u>\$ 159,630</u></u>

NOTE 6 – LEASES

Premises

FWCC also leases additional office space located in Belle Glade, Florida. The original lease was for three years that ran through August 2006. On June 1, 2018 the lease was renewed through March 31, 2023. The lease for the Belle Glade location requires monthly base rent payments of \$1,124 plus additional charges and fees. Base rent includes rent and real estate taxes. Total rent expense for the years ended June 30, 2018 and 2017 for this arrangement was \$13,564 and \$13,488, respectively.

FWCC also leases copiers with lease terms through June 2019. Rental expense associated with these leases for the years ended June 30, 2018, and 2017, amounted to \$9,357 and \$8,649, respectively.

The following is a combined schedule of related minimum annual lease payments for the premises and the copier at June 30, 2018:

Year Ending June 30,	Amount
2019	\$ 19,473
2020	13,488
2021	13,488
2022	13,488
2023	<u>10,116</u>
 Total	 <u><u>\$ 70,053</u></u>

FARMWORKER COORDINATING COUNCIL OF PALM BEACH COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 and 2017

NOTE 7 – CONTINGENCIES

Grants from government agencies and foundations require the fulfillment of certain conditions set forth in the grant instrument. These grants and donor obligations require specific supporting documentation to be maintained and fulfillment of certain conditions. Failure to fulfill the conditions set forth could result in the loss of funds from these grantors.

NOTE 8 – TEMPORARILY RESTRICTED NET ASSETS

For the years ended June 30, 2018 and 2017, temporarily restricted net assets have been restricted by donors for the following purposes:

	2018	2017
Scholarships	\$ 129,564	\$ 129,564
Family preservation - Town of Palm Beach United Way	110,000	110,000
Micro loan	3,514	3,514
Temporarily restricted net assets	\$ 243,078	\$ 243,078

Changes in restricted assets were due to amounts released as permitted by the donor restrictions.

NOTE 9 – CONCENTRATIONS

During the year ended June 30, 2018 FWCC received revenues from 2 sources that individually accounted for more than 10% of total revenue and is approximately 27% of total revenue.

During the year ended June 30, 2017 FWCC received revenues from 2 sources that individually accounted for more than 10% of total revenue and is approximately 32% of total revenue.

SUPPLEMENTARY INFORMATION



FRIEDMAN, FELDMESSER & KARPELES, CPA, LLC

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Independent Auditor's 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*

To the Board of Directors
Farmworker Coordinating Council of Palm Beach County, Inc.
West Palm Beach, 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 Farmworker Coordinating Council of Palm Beach County, Inc. (a nonprofit Council), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and change in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Farmworker Coordinating Council of Palm Beach County, Inc.'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 Farmworker Coordinating Council of Palm Beach County, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Farmworker Coordinating Council of Palm Beach County, Inc.'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 Farmworker Coordinating Council of Palm Beach County, Inc.'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 FWCC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering FWCC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Friedman, Feldmesser & Karpeles, CPA, LLC
Jupiter, Florida
September 30, 2018

Farmworker Coordinating Council of Palm Beach
(A Not-For-Profit Corporation)
Schedule of Government Financial Assistance and Expenditures
YEARS ENDED JUNE 30, 2018 and 2017

Federal/State Grantor/Pass-through Grantor, Program or Project Title	CFDA Number/Award Number	Total Income and Expenditures	
		2018	2017
FEDERAL			
Total income and expenditures of federal awards		\$ -	\$ -
LOCAL			
Board of County Commissioners			
Palm Beach County, Florida			
Family Preservation and Economic Stability Program:			
	R 2017-1534	35,591	34,936
	R 2017-1534	120,000	120,000
	R 2017-1534	19,114	-
U.S. Department of Children and Families			
Palm Beach County, Florida			
	Temporary Assistance for Needy Families (TANF)	R 2017-1552	
		42,000	42,000
Total income and expenditures of state awards		216,705	196,936
Total income and expenditures of Federal and State awards		\$ 216,705	\$ 196,936

See independent auditor's report.