

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**

**FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
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**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management of  
Emergency Care Help Organization of Brandon, Inc.

### Opinion

We have audited the accompanying financial statements of Emergency Care Help Organization of Brandon, Inc., (the "Organization", a non-profit corporation), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the fiscal 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 June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the fiscal 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 Auditors' 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditors' 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 auditors' 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. 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, including omissions, 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.

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 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 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.

*Hamilton & Associates CPA, LLC*

Brandon, FL  
November 14, 2024

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2024 AND 2023**

| <u>ASSETS</u>                               |                            |                            |
|---|----------------------------|----------------------------|
|   | <u>2024</u>                | <u>2023</u>                |
| <b>CURRENT ASSETS</b>                       |                            |                            |
| Cash and cash equivalents                   | \$ 327,164                 | \$ 409,381                 |
| Restricted cash                             | 84,572                     | 127,484                    |
| Pledges receivable                          | 1,174                      | 1,257                      |
| Prepaid expenses                            | 18,151                     | 8,458                      |
| Inventory                                   | 165,372                    | 134,153                    |
| <b>Total current assets</b>                 | <u>596,433</u>             | <u>680,733</u>             |
| <b>PROPERTY AND EQUIPMENT, NET</b>          | <u>265,018</u>             | <u>260,125</u>             |
| <b>OTHER ASSETS</b>                         |                            |                            |
| Investments                                 | 991,186                    | 1,072,078                  |
| Right-of-use assets - operating leases      | 540,401                    | 649,519                    |
| Deposits                                    | 557                        | 679                        |
| <b>Total other assets</b>                   | <u>1,532,144</u>           | <u>1,722,276</u>           |
| <b>TOTAL ASSETS</b>                         | <u><u>\$ 2,393,595</u></u> | <u><u>\$ 2,663,134</u></u> |
| <u>LIABILITIES AND NET ASSETS</u>           |                            |                            |
| <b>CURRENT LIABILITIES</b>                  |                            |                            |
| Accounts payable                            | \$ 2,776                   | \$ 6,766                   |
| Credit cards payable                        | 4,494                      | 15,082                     |
| Accrued expenses                            | 31,322                     | 18,291                     |
| Current portion - operating lease liability | 152,118                    | 91,324                     |
| <b>Total current liabilities</b>            | <u>190,710</u>             | <u>131,463</u>             |
| <b>LONG-TERM LIABILITIES</b>                |                            |                            |
| Operating lease liability                   | <u>416,176</u>             | <u>567,492</u>             |
| <b>TOTAL LIABILITIES</b>                    | <u>606,886</u>             | <u>698,955</u>             |
| <b>NET ASSETS</b>                           |                            |                            |
| Without donor restrictions                  | 1,666,290                  | 1,798,726                  |
| With donor restrictions                     | <u>120,419</u>             | <u>165,453</u>             |
| <b>TOTAL NET ASSETS</b>                     | <u>1,786,709</u>           | <u>1,964,179</u>           |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>     | <u><u>\$ 2,393,595</u></u> | <u><u>\$ 2,663,134</u></u> |

See accompanying notes and independent auditors' report.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024 AND 2023**

|   | 2024         | 2023         |
|---|--------------|--------------|
| <i>Change in net assets without donor restrictions</i>                                |              |              |
| REVENUES AND SUPPORT  |              |              |
| Contributions and grants  | \$ 673,435   | \$ 645,670   |
| Merchandising   | 541,203      | 330,614      |
| Events  | 104,883      | 41,776       |
| Noncash contributions in-kind   | 60,511       | 26,999       |
| TOTAL REVENUES AND SUPPORT  | 1,380,032    | 1,045,059    |
| Net assets released from restrictions:  | 223,148      | 235,943      |
| Total revenues and support without donor restrictions                                 | 1,603,180    | 1,281,002    |
| EXPENSES  |              |              |
| <i>Program services</i>   |              |              |
| Program operations  | 1,562,600    | 1,113,939    |
| <i>Management and Support Services</i>  |              |              |
| Management and general  | 111,726      | 86,522       |
| Fundraising and development   | 124,846      | 99,359       |
| Total support services  | 236,572      | 185,881      |
| TOTAL EXPENSES  | 1,799,172    | 1,299,820    |
| Decrease in net assets without donor restrictions<br>before other income and expenses | (195,992)    | (18,818)     |
| OTHER INCOME AND (EXPENSES)   |              |              |
| Interest income   | 8,289        | 5,179        |
| Investment income   | 55,267       | 33,278       |
| Other income  | -            | 50,690       |
| TOTAL OTHER INCOME  | 63,556       | 89,147       |
| (Decrease) increase in net assets without donor restrictions                          | (132,436)    | 70,329       |
| <i>Change in net assets with donor restrictions</i>                                   |              |              |
| Contributions   | 174,452      | 265,227      |
| Net assets released from restrictions   | (223,148)    | (235,943)    |
| Investment gain   | 3,662        | 3,176        |
| Net (decrease) increase in net assets with donor restrictions                         | (45,034)     | 32,460       |
| TOTAL CHANGE IN NET ASSETS  | (177,470)    | 102,789      |
| NET ASSETS, BEGINNING OF YEAR   | 1,964,179    | 1,861,390    |
| NET ASSETS, END OF YEAR   | \$ 1,786,709 | \$ 1,964,179 |

See accompanying notes and independent auditors' report.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

|                         | Support Services      |                           |                                   |                              | Total<br>Expenses   |
|-------------------------|-----------------------|---------------------------|-----------------------------------|------------------------------|---------------------|
|                         | Program<br>Operations | Management<br>and General | Fundraising<br>and<br>Development | Support<br>Services<br>Total |                     |
| Advertising             | \$ -                  | \$ -                      | \$ 3,527                          | \$ 3,527                     | \$ 3,527            |
| Auto                    | 12,041                | -                         | -                                 | -                            | 12,041              |
| Computer Expenses       | 19,711                | -                         | -                                 | -                            | 19,711              |
| Client assistance       | 205,912               | -                         | -                                 | -                            | 205,912             |
| Depreciation            | 19,096                | 4,655                     | -                                 | 4,655                        | 23,751              |
| Dues and subscriptions  | 7,694                 | -                         | -                                 | -                            | 7,694               |
| Fundraising and events  | -                     | -                         | 29,882                            | 29,882                       | 29,882              |
| Insurance               | 23,637                | -                         | -                                 | -                            | 23,637              |
| Licenses and permits    | 19,833                | -                         | -                                 | -                            | 19,833              |
| Meeting expense         | 6,803                 | -                         | -                                 | -                            | 6,803               |
| Merchandising expense   | 9,712                 | -                         | -                                 | -                            | 9,712               |
| Office expenses         | 45,719                | 11,322                    | -                                 | 11,322                       | 57,041              |
| Outside services        | 2,618                 | -                         | -                                 | -                            | 2,618               |
| Payroll fees            | 2,843                 | -                         | -                                 | -                            | 2,843               |
| Postage and printing    | 19,131                | -                         | -                                 | -                            | 19,131              |
| Professional fees       | -                     | 19,551                    | -                                 | 19,551                       | 19,551              |
| Rent                    | 209,255               | -                         | -                                 | -                            | 209,255             |
| Repairs and maintenance | 46,836                | -                         | -                                 | -                            | 46,836              |
| Salaries and benefits   | 848,337               | 76,198                    | 91,437                            | 167,635                      | 1,015,972           |
| Telephone               | 10,773                | -                         | -                                 | -                            | 10,773              |
| Uniforms                | 2,076                 | -                         | -                                 | -                            | 2,076               |
| Utilities               | 48,707                | -                         | -                                 | -                            | 48,707              |
| Volunteer luncheons     | 1,866                 | -                         | -                                 | -                            | 1,866               |
| <b>Total Expenses</b>   | <b>\$ 1,562,600</b>   | <b>\$ 111,726</b>         | <b>\$ 124,846</b>                 | <b>\$ 236,572</b>            | <b>\$ 1,799,172</b> |

See accompanying notes and independent auditors' report.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

|                         | Support Services    |                           |                                   |                              | Total<br>Expenses   |
|-------------------------|---------------------|---------------------------|-----------------------------------|------------------------------|---------------------|
|                         | Operations          | Management<br>and General | Fundraising<br>and<br>Development | Support<br>Services<br>Total |                     |
| Advertising             | \$ -                | \$ -                      | \$ 2,842                          | \$ 2,842                     | \$ 2,842            |
| Auto                    | 6,304               | -                         | -                                 | -                            | 6,304               |
| Client assistance       | 174,869             | -                         | -                                 | -                            | 174,869             |
| Depreciation            | 16,383              | 5,130                     | -                                 | 5,130                        | 21,513              |
| Dues and subscriptions  | 3,503               | -                         | -                                 | -                            | 3,503               |
| Fundraising and events  | -                   | -                         | 31,444                            | 31,444                       | 31,444              |
| Insurance               | 19,876              | -                         | -                                 | -                            | 19,876              |
| Licenses and permits    | 12,789              | -                         | -                                 | -                            | 12,789              |
| Meeting expense         | 13,350              | -                         | -                                 | -                            | 13,350              |
| Merchandising expense   | 3,940               | -                         | -                                 | -                            | 3,940               |
| Office expenses         | 39,587              | 11,752                    | -                                 | 11,752                       | 51,339              |
| Outside services        | 4,880               | -                         | -                                 | -                            | 4,880               |
| Payroll fees            | 2,264               | -                         | -                                 | -                            | 2,264               |
| Postage and printing    | 10,924              | -                         | -                                 | -                            | 10,924              |
| Professional fees       | -                   | 15,413                    | -                                 | 15,413                       | 15,413              |
| Rent                    | 117,096             | -                         | -                                 | -                            | 117,096             |
| Repairs and maintenance | 26,454              | -                         | -                                 | -                            | 26,454              |
| Salaries and benefits   | 603,733             | 54,227                    | 65,073                            | 119,300                      | 723,033             |
| Telephone               | 13,528              | -                         | -                                 | -                            | 13,528              |
| Uniforms                | 589                 | -                         | -                                 | -                            | 589                 |
| Utilities               | 40,841              | -                         | -                                 | -                            | 40,841              |
| Volunteer luncheons     | 3,029               | -                         | -                                 | -                            | 3,029               |
| <b>Total Expenses</b>   | <b>\$ 1,113,939</b> | <b>\$ 86,522</b>          | <b>\$ 99,359</b>                  | <b>\$ 185,881</b>            | <b>\$ 1,299,820</b> |

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

|  | 2024         | 2023       |
|--|--------------|------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |              |            |
| Change in net assets   | \$ (177,470) | \$ 102,789 |
| <i>Adjustments to reconcile change in net assets used in operating activities:</i> |              |            |
| Depreciation   | 23,751       | 21,513     |
| Unrealized gain on investment  | (52,714)     | (18,715)   |
| Decrease (increase) in:  |              |            |
| Pledges receivable   | 83           | 4,394      |
| Prepaid expenses   | (9,693)      | (8,458)    |
| Inventory  | (31,219)     | 7,104      |
| Amortization of right-of-use asset   | 109,116      | 52,639     |
| Deposits   | 122          | -          |
| Increase (decrease) in:  |              |            |
| Accounts payable and accrued expenses  | (1,545)      | 17,387     |
| Operating lease liability  | (90,522)     | (43,344)   |
| Net cash (used in) provided by operating activities                                | (230,091)    | 135,309    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |              |            |
| Purchases of property and equipment  | (28,644)     | (181,137)  |
| Cash (received) released from donor restriction                                    | 42,912       | (33,678)   |
| Investment earnings, net of fees   | (12,451)     | (17,625)   |
| Investment in certificates of deposit  | (275,000)    | (500,000)  |
| Proceeds from maturity of certificates of deposit                                  | 420,515      | -          |
| Investment in community foundation fund  | 542          | (3,018)    |
| Net cash provided by (used in) investing activities                                | 147,874      | (735,458)  |
| Net decrease in cash and cash equivalents  | (82,217)     | (600,149)  |
| <b>CASH AND CASH EQUIVALENTS</b>   |              |            |
| Beginning of year  | 409,381      | 1,009,530  |
| End of year  | \$ 327,164   | \$ 409,381 |

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 1 – DESCRIPTION OF ORGANIZATION**

Nature of Organization

In 1987, the Emergency Care Help Organization of Brandon, Inc. (the “Organization” or “ECHO”), began providing emergency food and clothing to those living in the small town of Brandon, Florida.

As the town grew, so did ECHO. Today, two Resource Centers provide food, clothing, one on one job coaching, collaborations with local employers, mobile back to work coaches, in house internships, a variety of workshops, financial assistance, and advocacy.

The mission of ECHO is supported by two thriving thrift stores. Clothing is pulled for distribution, free of charge. Excess clothing is sold, with all net proceeds supporting the outreach of the Resource Centers.

Emergency Provisions: Food and clothing are available for those experiencing recent hardship. Each neighbor receives a week’s worth of food (approximately twenty pounds) and clothing (five complete outfits). Victims of fire or homelessness are encouraged to access start up items, such as linens, kitchen items, and toiletries.

Workforce Development: The leading cause of hunger is underemployment; therefore, ECHO provides one on one job coaching, resume edits, mock interviews, career worthy clothing, in house internships, local employer internships, and a variety of skill acquisition workshops.

Advocacy: A cross between a life coach and a social worker, ECHO connects neighbors to affordable housing, subsidized childcare, SNAP benefits, and financial assistance. ECHO also employs a full-time housing specialist, specifically tasked with transitioning homeless neighbors into stable housing.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation

ECHO is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

*Net assets without donor restriction* – 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 ECHO’s management and the board of directors.

*Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ECHO or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Revenue Recognition

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions with donor restrictions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. Otherwise, when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Conditional promises to give—that is, those with a measurable performance or other barrier and a right of return—are not recognized until the conditions on which they depend have been met. Contributions received with both donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions.

Grant revenues are recognized as the services are provided, which is generally as allowable expenditures are incurred.

Investment income (including realized and unrealized gains and losses on investments, interest, and dividends) net of investment expenses is included in non-operating revenues, gains, and other support without donor restrictions unless the income or loss is restricted by donor, law, or endowment spending.

Revenues from events and merchandising are recorded when the event is held, or the merchandise is sold.

In-Kind (Non-Cash) Contributions

Donated non-cash assets consist primarily of a significant amount of food and clothing items and are reflected in the financial statements at their estimated fair value. Contributions of services are recognized if the services rendered create or enhance non-financial assets or require specialized skills that are provided by individuals possession those skills and would typically need to be purchased if not provided by donation. A substantial number of volunteers have donated significant amounts of their time to the Association's activities, but these services do not meet the criteria for recognition as contributed services.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for use, with an initial maturity of three months or less, to be cash equivalents.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment

Property and equipment are stated at historical cost and depreciated using the straight-line method over the estimated useful lives of each asset - Buildings and improvements, 20-40 years; equipment, 5-10 years; and furniture and fixtures, 5-10 years. Property and equipment purchases greater than \$1,000 are capitalized.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Inventory Valuation

Donated food and clothing, when received, are reflected as contributions in the financial statements at their estimated fair market value at the date of receipt. Clothing is valued according to a chart published by the Salvation Army and food is based on an average cost per pound derived by a large food bank organization.

Concentration of Risk

Financial instruments which potentially subject an organization to concentrations of risk consist principally of cash and cash equivalents in excess of FDIC limits. Cash accounts are maintained at three different institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2024, and 2023 ECHO had total deposits of \$80,460 and \$1,366, respectively, in excess of the FDIC coverage. The Organization historically has not experienced any losses on deposits and management does not anticipate any future losses.

Functional Allocation of Expenses

The costs of providing the various programs have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising Costs

Management's policy is to expense advertising costs as incurred. Advertising expenses for the years ended June 30, 2024 and 2023 were \$3,527 and \$2,842, respectively. Advertising expenses are incurred for the purpose of soliciting donations and are included in the accompanying Statement of Activities as a Fundraising and Development Expense - Advertising.

Pledges Receivable

Pledges receivable are unconditional promises to give and consist of five-year pledges made at the Organization's past events. Management records the revenue from these pledges at 100% of the total amount pledged. In addition, management periodically reviews the status of outstanding pledges for collectability. Each balance is assessed based on management's knowledge of and relationship with the donor and the age of the pledge. As a result of these reviews, balances deemed to be uncollectible are charged directly to uncollected pledges. Management believes that the use of the direct write-off method approximates the results that would be presented if an allowance for doubtful pledges were recorded.

Reclassification

Certain amounts in the year ended June 30, 2023 have been reclassified to conform with the June 30, 2024 financial statement presentation. These reclassifications had no effect the change in net assets or total net assets.

Date of Management's Review

The Organization has evaluated events and transactions occurring subsequent to June 30, 2024, as of November 14, 2024, which is the date the financial statements were available to be issued. Subsequent events occurring after November 14, 2024, have not been evaluated by management. No material events have occurred since June 30, 2024, that require recognition or disclosure in the financial statements.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Liquidity and Availability of Resources

As of June 30, 2024 and 2023, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses, were as follows:

|  | <u>2024</u>         | <u>2023</u>         |
|--|---------------------|---------------------|
| Financial assets                             |                     |                     |
| Cash and cash equivalents                    | \$ 327,164          | \$ 409,381          |
| Pledges receivable                           | 1,174               | 1,257               |
| Investments                                  | 991,186             | 1,072,078           |
| Total financial assets                       | <u>1,319,524</u>    | <u>1,482,716</u>    |
| Less financial assets not readily available: |                     |                     |
| Endowment fund                               | <u>(34,673)</u>     | <u>(36,712)</u>     |
| Total financial assets readily available     | <u>\$ 1,284,851</u> | <u>\$ 1,446,004</u> |

At June 30, 2024 and 2023, financial assets consisted of unrestricted cash, current portion of receivables, and investments. These financial assets are not subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. Certificates of deposit held in investments are subject to an early withdrawal penalty. Management’s goal is to maintain financial assets on hand to meet 8 months of normal operating expenses which are, on average, approximately \$625,000. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

**NOTE 3 – PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2024 and 2023 consisted of the following:

|                                    | <u>2024</u>       | <u>2023</u>       |
|------------------------------------|-------------------|-------------------|
| Building and building improvements | \$ 294,598        | \$ 279,303        |
| Equipment                          | 32,757            | 32,757            |
| Furniture and fixtures             | 41,526            | 41,526            |
| Office equipment                   | 54,321            | 40,972            |
| Vehicles                           | <u>78,759</u>     | <u>78,759</u>     |
| Total property and equipment       | 501,961           | 473,317           |
| Less: accumulated depreciation     | <u>(236,943)</u>  | <u>(213,192)</u>  |
| Property and equipment, net        | <u>\$ 265,018</u> | <u>\$ 260,125</u> |

Depreciation expense for the years ending June 30, 2024 and 2023 amounted to \$23,751 and \$21,513, respectively.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 4 – INCOME TAX STATUS**

Income taxes are not provided for in the financial statements since the Organization is exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code and similar state provisions. The Organization is treated as a publicly supported organization, and not as a private foundation. Management is not aware of any activities that would jeopardize the Organization's tax-exempt status.

The Organization accounts for uncertain tax positions, if any, in accordance with ASC Section 740. In accordance with these professional standards, tax positions are recognized only to the extent that Management believes it is “more likely than not” that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements for the years ended June 30, 2024 and 2023.

The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization’s financial condition, results of operations or cash flows. Accordingly, no reserves, or related accruals for interest and penalties for uncertain income tax positions are recorded at June 30, 2024 and 2023.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for fiscal years ending prior to June 30, 2020.

The Organization’s policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

**NOTE 5 – INVESTMENTS**

**Community Foundation of Tampa Bay**

The Organization has invested into investment pools managed by the Community Foundation of Tampa Bay, Florida (CFTB). During the fiscal year-ending June 30, 2022, ECHO invested \$560,000 into the CFTB’s Agency Reserve Fund investment pool. The Agency Reserve Fund allows the Organization to invest and take distributions of principal at its discretion. The pool is managed solely by the CFTB in accordance with CFTB’s investment policy. Funds are subject to administrative and investment fees.

During the fiscal year-ending June 30, 2021, the Organization invested \$33,333 into the CFTB endowment fund. The Endowment provides for the first \$25,000 in investment principal to be permanently restricted. Annual distributions are made according to the spending policy approved annually by CFTB’s board of directors. The Organization has elected to withhold distributions from the fund. CFTB has the authority to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations. These funds are invested in an allocated investment pool.

All income and capital gains or losses are allocated to the fund on a monthly basis and reported on a quarterly basis.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 5 – INVESTMENTS – Continued**

Certificates of Deposit

The Organization has invested in three long-term (greater than three months) certificates of deposit. Two of the certificates are six-month certificates held with investment broker, Edward Jones, with face values of \$125,000 and \$106,000 earning interest at rates of 5.30% and 5.35%, respectively. The third certificate is a twelve-month certificate held with Valley National Bank, with a face value of \$150,000 earning interest at a rate of 4.875%. Certificates of deposit are carried at face value plus accrued interest, which approximates fair value.

**NOTE 6 – FAIR VALUE MEASUREMENTS**

Assets recorded at fair value in the statement of position are categorized based upon the level of judgement associated with the inputs used to measure their fair value. Level inputs are defined as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 - Observable inputs other than those included in level 1, such as quoted market prices for similar assets or liabilities in active markets, quoted market prices for identical assets or liabilities in inactive markets, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Significant unobservable inputs reflecting management’s own assumptions about the inputs used in determining the fair value.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Certificates of deposit are valued at cost plus accrued interest, which approximates fair value.

Investments held with the CFTB are measured as reported by the CFTB and are not traded on an active market. The following tables set forth, by level within the fair value hierarchy, assets measured at fair values on a recurring basis as of June 30, 2024 and 2023:

|                         | <u>Total</u>      | <u>Level 1</u> | <u>Level 2</u>    | <u>Level 3</u>    |
|-------------------------|-------------------|----------------|-------------------|-------------------|
| Certificates of Deposit | \$ 389,628        | \$ -           | \$ 389,628        | \$ -              |
| Endowment Fund          | 34,673            | -              | -                 | 34,673            |
| Agency Reserve Fund     | 566,885           | -              | -                 | 566,885           |
|                         | <u>\$ 991,186</u> | <u>\$ -</u>    | <u>\$ 389,628</u> | <u>\$ 601,558</u> |

|                         | <u>Total</u>        | <u>Level 1</u> | <u>Level 2</u>    | <u>Level 3</u>    |
|-------------------------|---------------------|----------------|-------------------|-------------------|
| Certificates of Deposit | \$ 508,453          | \$ -           | \$ 508,453        | \$ -              |
| Endowment Fund          | 36,712              | -              | -                 | 36,712            |
| Agency Reserve Fund     | 526,913             | -              | -                 | 526,913           |
|                         | <u>\$ 1,072,078</u> | <u>\$ -</u>    | <u>\$ 508,453</u> | <u>\$ 563,625</u> |

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**NOTE 6 – FAIR VALUE MEASUREMENTS – Continued**

A reconciliation of changes in assets measured in Level 3 for the fund inputs are as follows:

|                             | Year ending June 30, 2024 |                        |            |
|-----------------------------|---------------------------|------------------------|------------|
|                             | Endowment<br>Fund         | Agency<br>Reserve Fund | Total      |
| Balance, beginning of year  | \$ 36,712                 | \$ 526,913             | 563,625    |
| Investment                  | -                         | 5,159                  | 5,159      |
| Distributions               | (5,701)                   | -                      | (5,701)    |
| Interest and dividends, net | 709                       | 17,219                 | 17,928     |
| Unrealized loss             | 3,271                     | 22,180                 | 25,451     |
| Administrative fees         | (318)                     | (4,586)                | (4,904)    |
| Balance, end of year        | \$ 34,673                 | \$ 566,885             | \$ 601,558 |

|                             | Year ending June 30, 2023 |                        |            |
|-----------------------------|---------------------------|------------------------|------------|
|                             | Endowment<br>Fund         | Agency<br>Reserve Fund | Total      |
| Balance, beginning of year  | \$ 33,536                 | \$ 499,184             | \$ 532,720 |
| Investment                  | -                         | 3,018                  | 3,018      |
| Interest and dividends, net | 655                       | 13,887                 | 14,542     |
| Unrealized loss             | 2,813                     | 15,902                 | 18,715     |
| Administrative fees         | (292)                     | (5,078)                | (5,370)    |
| Balance, end of year        | \$ 36,712                 | \$ 526,913             | \$ 563,625 |

**NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

|   | 2024       | 2023       |
|---|------------|------------|
| Food and shelter                        | \$ 41,715  | \$ 25,373  |
| Workforce development                   | 34,857     | 54,811     |
| Operations                              | 8,000      | 47,300     |
| Pledged receivables                     | 1,174      | 1,257      |
| Endowment fund                          | 34,673     | 36,712     |
| Total net assets with donor restriction | \$ 120,419 | \$ 165,453 |

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**NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS – Continued**

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

|  | <u>2024</u>       | <u>2023</u>       |
|--|-------------------|-------------------|
| Food and shelter                         | \$ 80,321         | \$ 105,671        |
| Workforce development                    | 78,269            | 58,957            |
| Operations                               | 58,774            | 66,921            |
| Payments received on pledged receivables | 83                | 4,394             |
| Released from endowment fund             | <u>5,701</u>      | <u>-</u>          |
| Total restrictions released              | <u>\$ 223,148</u> | <u>\$ 235,943</u> |

**NOTE 8 - IN KIND DONATIONS AND DISTRIBUTIONS**

In kind contributions and distributions for the years ended June 30, are as follows:

|   | <u>2024</u>      | <u>2023</u>      |
|---|------------------|------------------|
| <i>In-kind contributions other than food and clothing</i> |                  |                  |
| Donated use of facilities - in-kind rent                  | \$ 21,047        | \$ 30,000        |
| Donated in-kind fees                                      | 3,178            | -                |
| Donated stock to community foundation fund                | 5,159            | 3,018            |
| Donated use of facilities - Annual Breakfast              | <u>-</u>         | <u>1,085</u>     |
| Total contributions other than food and clothing          | 29,384           | 34,103           |
| <br><i>In-kind contributions of food and clothing</i>     |                  |                  |
| In kind food donations                                    | 796,544          | 598,917          |
| In kind clothing donations                                | <u>3,288,867</u> | <u>2,181,999</u> |
| Total food and clothing contributions                     | 4,085,411        | 2,780,916        |
| <br><i>In-kind distributions of food and clothing</i>     |                  |                  |
| In kind food distributions                                | 773,050          | 583,473          |
| In kind clothing distributions                            | <u>3,281,234</u> | <u>2,204,547</u> |
| Total food and clothing distributions                     | 4,054,284        | 2,788,020        |
| <br>Net food and clothing contributions (distributions)   | <u>31,127</u>    | <u>(7,104)</u>   |
| <br>Net noncash contributions in-kind                     | <u>\$ 60,511</u> | <u>\$ 26,999</u> |

In-kind rent relates to the agreement to lease the Brandon location from Hillsborough County (as described in Note 11) for a nominal rent. The value of in-kind rent is the difference between the nominal rent and the estimated fair value to lease a similar space in the same general area. The corresponding in-kind expense is recorded in rent expense in the statement of functional expenses. During the year, the Organization received a donation of investments from a private individual to the CFTB reserve fund. Donated investments are recorded at the fair value of the donated investments. Donated use of facilities is recorded at the cost that the Organization would have paid to use the facilities for the related event. The corresponding expense is recorded in the line-item fundraising and events in the statement of function expenses.

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**NOTE 8 - IN KIND DONATIONS AND DISTRIBUTIONS – Continued**

Food and Clothing Contributions and Distributions

The Organization receives donations of food and clothing throughout the year at each of its locations. Goods received are distributed to its clients as part of its program services. Certain other clothing and household goods are held for resale in the Organization's thrift store locations in Brandon and Riverview. Total thrift store sales were \$541,083 and \$330,254 in the years ending June 30, 2024 and 2023. Undistributed goods are held as inventory in the statement of financial position until they are either distributed through its program services or sold from the thrift store locations.

**NOTE 9 – LINE OF CREDIT**

The Organization, through its investment broker Edward Jones, is eligible to borrow from a line of credit based on the value of its investment account. At June 30, 2024 a total of \$81,203 was available to borrow on the line of credit at an interest rate of 10.25%. There were no outstanding borrowings at June 30, 2024.

**NOTE 10 - ADOPTION OF *FASB ASC 842 - LEASES***

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), requiring lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The new standard established a right-of-use asset and a lease liability for all leases with a term longer than 12 months. The standard became effective for all non-public entities for fiscal periods beginning after December 15, 2021.

Effective July 1, 2022, management adopted *FASB ASC 842, Leases*. Management determines if any arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. Management has elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

The adoption of *FASB ASC 842* under the modified retrospective approach, applied to the lease of the Brandon thrift store location. The adoption of ASC 842 resulted in the recognition of right-of-use-assets and operating lease liabilities of \$100,895 at July 1, 2022. The lease liability was calculated based on the expected cash flows, discounting at the three-year U.S. Treasury Bond rate at the date of inception. Other leases in effect did not fall under the Scope of ASC 842 for the period beginning prior to July 1, 2022, and continue to be reported in accordance with the historical accounting treatment. The adoption of *FASB ASC 842* did not have a material impact on the Organization's statement of activities or cash flows.

The Organization leases multiple facilities for its operations in the Brandon and Riverview areas of Florida. Leases that meet the criteria for capitalization under ASC 842 are reported in the statement of financial position as operating lease liabilities.

**EMERGENCY CARE HELP ORGANIZATION OF BRANDON, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 11 – OPERATING LEASES**

Operating Leases Subject to ASC 842

The lease agreement for the Brandon thrift store location commenced December 1, 2021, and continues through November 30, 2024. The leased space consists of 4,095 square feet of retail space in a shopping center. Minimum monthly rental payments during the fiscal year ending June 30, 2024 were \$2,667 from

July through November and increased to \$3,334 for the remainder of the fiscal year. Monthly rents increase to \$4,001 in December 2023 through maturity on November 30, 2024.

The Organization entered into a three-year lease agreement for its Riverview thrift store location commencing March 1, 2023, and consists of 4,890 square feet of leased space in a shopping center. Monthly minimum payments are due in the amount of \$6,113 plus additional common area maintenance and share of utilities for a total of \$7,365 for the first twelve months beginning June 1, 2023. Monthly payments increase each twelve-month period over the life of the lease based on a schedule in the lease agreement. The agreement provides for an additional three-year renewal option.

The Organization entered into a three-year lease agreement for its newly located Riverview operations center, commencing May 1, 2023. The lease is for a total of 9,360 square feet of office and warehouse space. Minimum monthly rents due for the first twelve months are \$1,725, increasing to \$4,141 for the final twenty-four months to maturity of the lease on April 30, 2026. The lease provides for the option to renew for two additional periods of three years each.

Total lease expense for the forementioned operating leases amounted to \$158,065, which consists of \$90,522 in amortization of the right-to-use assets and \$25,731 in interest expense. The weighted average term of the outstanding leases is five years, and the weighted average interest rate is 3.86% on June 30, 2024.

Future maturities of operating lease liabilities at June 30, 2024 are as follows:

| <u>Year Ending December 31:</u>    |                   |
|------------------------------------|-------------------|
| 2025                               | \$ 172,399        |
| 2026                               | 146,119           |
| 2027                               | 104,420           |
| 2028                               | 108,088           |
| 2029                               | <u>91,219</u>     |
| Total lease payments               | \$ 622,245        |
| Less: Interest                     | <u>(53,951)</u>   |
| Present value of lease liabilities | <u>\$ 568,294</u> |

Operating lease liabilities at the time of adoption are measured as the present value of the minimum lease payments due over the term of each respective lease agreement, discounted at the risk-free interest rate comparable with the lease term, defined as the 3-year U.S. Treasury Bond rate at the date of adoption. The right-to-use asset is depreciated on a straight-line basis over the remaining life of the lease agreement, and the lease liability is amortized at the discount rate over the remaining life of the lease.

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**NOTE 11 – OPERATING LEASES – Continued**

Other Operating Leases

The organization leased premises from Hillsborough County for its former Riverview operations at the Riverview Community Center. The lease expired in April of 2023, whereby the Organization moved into its new primary location in Riverview. Total rent paid during the year ending June 30, 2024, was \$26,880. The Organization leases its Brandon Center location from Hillsborough County at a nominal annual rate. The nominal rate up until October 1, 2023, was \$1 per year. The current lease term renewed in April of 2023 for an additional five years. The Organization is responsible for all required repairs, maintenance, and operating costs for the premises. Beginning October 1, 2023, the Organization is required to pay an occupancy fee of \$2 per square foot per year, for a total of \$11,938. Management records in-kind rent for the estimated fair value of the rental space in the amount of \$21,047 (see Note 8 for in-kind contributions).

**NOTE 12 – RETIREMENT PLAN**

The Organization sponsors a Simple IRA defined contribution employee benefit plan. All employees are eligible for enrollment in the plan. The plan requires the Organization to match up to 3% of each employee's compensation for the fiscal year. During fiscal year 2024, the Organization contributed approximately \$16,000 to the plan.