

Financial Statements

Hart Felt Ministries, Inc.

*Year Ended December 31, 2016
with Independent Auditors' Report*

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Independent Auditors' Report

To the Board of Directors
Hart Felt Ministries, Inc.
Jacksonville, Florida

We have audited the accompanying financial statements of Hart Felt Ministries, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities and net assets as of December 31, 2016, and the related statements of revenues, expenses and other changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Hart Felt Ministries, Inc., as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Cornelius Schou & Leone, LLC

June 30, 2017
Jacksonville, FL

Hart Felt Ministries, Inc.
Statement of Assets, Liabilities and Net Assets
December 31, 2016

Assets

Cash and cash equivalents \$ 370,313

Total Current Assets 370,313

Total Assets \$ 370,313

Liabilities and Net Assets

Net Assets:

Temporarily restricted 16,282

Unrestricted 354,031

Total Net Assets 370,313

Total Liabilities and Net Assets \$ 370,313

See accompanying notes to financial statements.

Hart Felt Ministries, Inc.
Statement of Revenues, Expenses and Other Changes in Net Assets
Year Ended December 31, 2016

	Unrestricted	Temporarily Restricted	Total
Support:			
Churches	\$ 16,817	-	\$ 16,817
Individuals	228,973	-	228,973
Organizations	36,240	16,282	52,522
Total Support	282,030	16,282	298,312
Revenue:			
Fundraisers	74,488	-	74,488
Interest Income	729	-	729
Total Support and Revenue	357,247	16,282	373,529
Expenses			
Administration	390	-	390
Automotive	2,067	-	2,067
Fundraisers	24,857	-	24,857
Insurance	5,564	-	5,564
Office	11,205	-	11,205
Personnel	108,905	-	108,905
Program services	43,350	-	43,350
Recruitment and retention - volunteers	2,488	-	2,488
Telephone, rent, and internet	5,925	-	5,925
Total Expenses	204,751	-	204,751
Increase in Net Assets	152,496	16,282	168,778
Net Assets, beginning of year	201,535	-	201,535
Net Assets, end of year	\$ 354,031	\$ 16,282	\$ 370,313

See accompanying notes to financial statements.

Hart Felt Ministries, Inc.
Statement of Cash Flows
Year Ended December 31, 2016

Cash Flows From Operating Activities	
Increase in net assets	<u>\$ 168,778</u>
Net Cash Provided By Operating Activities	<u>168,778</u>
Cash Flows From Investing Activities	<u>-</u>
Cash Flows From Financing Activities	<u>-</u>
Net Increase In Cash and Cash Equivalents	168,778
Cash , beginning of year	<u>201,535</u>
Cash , end of year	<u><u>\$ 370,313</u></u>

See accompanying notes to financial statements.

Hart Felt Ministries, Inc.
Notes to Financial Statements
Year Ended December 31, 2016

Note A - Organization

Hart Felt Ministries, Inc. was organized under the laws of the State of Florida in 2003 as a nonprofit corporation for the purpose of providing practical services to frail senior citizens at no charge. These services include transportation, visits, respite care, grocery shopping, homemaker chores, home repairs and construction of wheelchair ramps, yard work, and advocacy for needs that exceed the ministry's scope of services. At the end of 2016 the organization had 422 clients and 213 volunteers that provided 9,316 hours of service.

Note B - Summary of Significant Accounting Policies

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received or as assets, decreases of liabilities, or decreases of expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Estimates

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

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Hart Felt Ministries, Inc.
Notes to Financial Statements
Year Ended December 31, 2016

Note B - Summary of Significant Accounting Policies (continued)

Contributions

Financial statement presentation also follows the recommendations of SFAS No. 116 “*Accounting for Contributions Received and Contributions Made*”. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Cash and Cash Equivalents

Hart Felt Ministries, Inc. considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Contributed Services

The Organization receives a substantial amount of services donated by its volunteers and board members in carrying out the Organization's activities. No amounts have been reflected in the financial statements for those services.

Income Taxes

Hart Felt Ministries, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as confirmed in an exemption letter dated October 10, 2003. In addition, the agency has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

Date of Management’s Review

Subsequent events have been evaluated through June 30, 2017, which is the date the financial statements were available to be issued.

Hart Felt Ministries, Inc.
Notes to Financial Statements
Year Ended December 31, 2016

Note C - Major Grants

The ministries' received the following designated grants for which a portion had not been disbursed at year-end. These undisbursed funds are being classified as temporarily restricted.

Donor	Total Grant	Year-End Restricted Balance
CSX	\$ 5,000	\$ 5,000
Baptist Health	7,500	3,517
Jim Moran Foundation	35,000	4,265
Rotary of South Jacksonville	1,500	1,500
Florida Blue Foundation	2,000	2,000
Total	<u>\$ 51,000</u>	<u>\$ 16,282</u>

Note D - Major Contributor

The organization had a significant contribution during the year ended December 31, 2016, from a donor that totaled \$200,031.