

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.
Stone Mountain, Georgia

**FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION**

Year Ended June 30, 2020

TABLE OF CONTENTS

	<u>Page No.</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-14
SUPPLEMENTAL INFORMATION	
Schedule of Contractual Assistance	16-17
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	19-20
SCHEDULE OF PRIOR PERIOD FINDINGS AND QUESTIONED COSTS	22
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	24

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Independent Auditor's Report

To the Board of Directors
Friends of Disabled Adults and Children, Too! Inc.
Stone Mountain, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of **Friends of Disabled Adults and Children, Too! Inc.** (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



Member American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants



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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Friends of Disabled Adults and Children, Too! Inc.** as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of contractual assistance (pages 17 and 18), is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 13, 2021, on our consideration of **Friends of Disabled Adults and Children, Too! Inc.**'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Friends of Disabled Adults and Children, Too! Inc.**'s internal control over financial reporting and compliance.

Fribe & Associates, LLC

Peachtree Corners, Georgia
April 13, 2021

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2020

ASSETS

Current assets:	
Cash and cash equivalents	\$ 225,489
Accounts receivable	38,706
Investments	<u>116,455</u>
Total current assets	380,650
Property and equipment, net	3,145,974
Investments - designated for capital improvements	<u>150,000</u>
 Total assets	 <u>\$ 3,676,624</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	<u>\$ 8,026</u>
 Total liabilities	 <u>8,026</u>
Net assets:	
Without donor restrictions	
Invested in land, buildings and equipment	3,145,974
Designated for program operations reserve	372,624
Designated for capital improvements reserve	<u>150,000</u>
 Total net assets	 <u>3,668,598</u>
 Total liabilities and net assets	 <u>\$ 3,676,624</u>

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

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2020

	<u>Total</u>
Operating activities:	
Revenue and other support	
Donations	
Medical equipment and other items	\$ 3,501,217
Business and individuals	294,491
Contractual assistance	546,594
Foundations and organizations	223,975
Thrift store and vehicle sales	334,173
Program service fees	<u>173,596</u>
Total revenue and other support before releases	5,074,046
Net assets released from donor restrictions	<u>-</u>
Total revenue and other support	<u>5,074,046</u>
Expenses	
Program services	4,948,335
Supporting services	
General and administrative	137,646
Fundraising	<u>52,634</u>
Total expenses	<u>5,138,615</u>
Change in net assets from operating activities	(64,569)
Nonoperating activities:	
Interest and dividend income	5,572
Gain on investments	<u>2,259</u>
Change in net assets from nonoperating activities	<u>7,831</u>
Change in net assets	(56,738)
Net assets, beginning of year	<u>3,725,336</u>
Net assets, end of year	<u>\$ 3,668,598</u>

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

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2020

	Program Services					Supporting Services			Total
	Medical Equipment	Home Access	Other	Plant Operations	Subtotal	General and Administrative	Fundraising	Subtotal	
Donations									
Medical equipment/other items	\$ 3,448,087	\$ 15,800	\$ 37,330	\$ -	\$ 3,501,217	\$ -	\$ -	\$ -	\$ 3,501,217
Salaries and compensation	560,896	32,905	64,317	-	658,118	89,743	-	89,743	747,861
Employee benefits and taxes	248,837	14,598	28,533	-	291,968	39,814	-	39,814	331,782
Bank fees	7,830	415	1,189	-	9,434	-	-	-	9,434
Depreciation	120,187	5,792	-	18,825	144,804	-	-	-	144,804
Insurance	28,165	1,357	4,412	-	33,934	-	-	-	33,934
Marketing and promotions	17,672	851	2,768	-	21,291	-	-	-	21,291
Memberships	11,578	558	1,813	-	13,949	-	-	-	13,949
Miscellaneous	4,470	214	701	-	5,386	-	-	-	5,386
Office expenses	17,971	866	217	-	19,053	2,599	-	2,599	21,652
Parts, materials and tools	35,996	66,935	13,179	-	116,111	-	-	-	116,111
Phone and communications	12,834	681	93	-	13,608	1,856	-	1,856	15,464
Postage	1,714	90	259	-	2,064	-	-	-	2,064
Professional fees	8,747	464	-	-	9,211	1,328	-	1,328	10,539
Special events	-	-	-	-	-	-	27,655	27,655	27,655
Thrift store expenses	-	-	-	-	-	-	24,979	24,979	24,979
Travel and training	5,850	310	888	-	7,048	-	-	-	7,048
Utilities and occupancy	-	-	-	70,564	70,564	-	-	-	70,564
Vehicle expense	27,292	1,447	1,836	-	30,575	2,306	-	2,306	32,881
Total expenses	\$ 4,558,126	\$ 143,285	\$ 157,536	\$ 89,389	\$ 4,948,335	\$ 137,646	\$ 52,634	\$ 190,280	\$ 5,138,615

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

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

STATEMENT OF CASH FLOWS

Year Ended June 30, 2020

Cash flows from operating activities:	
Change in net assets	\$ (56,738)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	144,804
(Increase) decrease in:	
Accounts receivable	73,232
Increase (decrease) in:	
Accounts payable	<u>(18,632)</u>
Total adjustments	<u>199,404</u>
Net cash provided by operating activities	142,666
Cash flows from investing activities:	
Purchase of property and equipment	(3,700)
Purchase of investments	<u>(7,374)</u>
Net cash used by investing activities	<u>(11,074)</u>
Increase in cash and cash equivalents	131,592
Cash and cash equivalents, beginning of year	<u>93,897</u>
Cash and cash equivalents, end of year	<u><u>\$ 225,489</u></u>

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

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2020

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Friends of Disabled Adults and Children, Too! Inc. (the “Organization”) is organized as a nonprofit corporation for the purpose of enhancing the quality of life of people with disabilities through every way possible. Services provided by **Friends of Disabled Adults and Children, Too! Inc.** includes the following:

- Providing mobility impairment equipment, home health care equipment, and home health care supplies;
- Providing wheelchair lifts and adaptive equipment installed in vehicles;
- Providing the construction of residential wheelchair ramps and home modifications; and
- Conducting client education and referral for the benefits of handicapped individuals.

In order to provide adaptive equipment, the Organization receives donations of primarily used medical, computer equipment and parts. The equipment is cleaned and repaired and then is provided to those in need at no cost.

The organization also operates a thrift store as a fund raising activity.

Basis of Presentation

The Organization’s financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) “Audit and Accounting Guide for Not-for-Profit Organizations” (the ‘Guide’). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization’s board may designate assets without restrictions for specific operational purposes from time to time.

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 the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2020

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

The value of medical equipment and other donated items valued at \$3,501,217 were donated without restrictions for the year ended June 30, 2020, as reflected in the Statement of Activities and Statement of Functional Expenses.

Measure of Operations

The Statement of Activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net assets classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2020

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Functional Expenses

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

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and compensation	Full time equivalent
Employee benefits and taxes	Full time equivalent
Occupancy	Square footage
Miscellaneous	Time and effort
Professional fees	Full time equivalent
Vehicle expense	Time and effort

Income Taxes

The Organization is a nonprofit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income taxes are reflected in the accompanying financial statements. The Organization does not receive any income from unrelated business activities and is not required to file a federal Exempt Organization Business Income Tax Return (Form 990-T) and therefore has no uncertain tax positions that are material to the financial statements. The Organization's federal income tax returns are subject to examination by federal and state taxing authorities, generally for three years after they are filed. The Organization believes it is no longer subject to tax examinations for years prior to 2015.

Cash and Cash Equivalents

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

Receivables

Receivables consist of reimbursements due on state, county and other contractual assistance for expenditures made but not reimbursed and from other private sources for client service fees. Receivables are recorded when either the asset or revenue recognition criteria has been met. Receivables recorded on the financial statements do not include any amounts that would necessitate the need for an allowance for uncollectible receivables. See Note D

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2020

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Investments

It is the Organization's policy to report the value of marketable securities at fair value in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-320. The Organization maintains brokerage accounts for the investment securities which are available for sale. Investment income, including interest, dividends and realized and unrealized gains and losses are recognized in the Statement of Activities. Management estimates such investments at their fair values based on quoted closing brokerage prices. *See Note B*

Investments – Restricted for Capital Improvements

The Board has designated investments within a mutual fund account to be reserved for future capital improvements.

Inventories

Inventories of used medical equipment and other items are maintained by the Organization to carry out its program services. Essentially, all of these items have been donated to the Organization. The value of the Inventory of these items is not reflected in the accompanying financial statements since the items have an uncertain value at the time of receipt. Additionally, the Organization does not record a value of clothing and household goods inventory which is sold by the thrift store. A value for these items is determined when the item is contributed to others and reflected as revenue and expense in the financial statements. *See Contributions*

Property and Equipment

Property and equipment are stated at historical cost or fair market value at the date of the gift, if donated. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation of buildings and improvements are computed at 40 years using the straight-line method; and equipment, furniture and fixtures, and vehicles are computed over the estimated useful life of the applicable asset using the straight-line method. *See Note F*

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2020

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Contributed Services

Members of the Board of Directors and other employees volunteer services to the Organization without compensation. Furthermore, a substantial number of volunteers have donated significant amounts of time in the Organization's program services, fundraising, and operating activities. The value of these contributed services has not been recorded in the financial statements because an objective and measurable basis for determining the value of these services is not available.

NOTE B – INVESTMENTS

Investments are to be utilized for designated purposes and are stated at fair value.

Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosure*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements), and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's 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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2020

NOTE B – INVESTMENTS, continued

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

Mutual Funds: Valued at the net asset value of shares held by the plan at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

	<u>Investments at Fair Value as of June 30, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 266,455	\$ -	\$ -	\$ 266,455

Investment securities unrealized appreciation/(depreciation) consist of the following as of June 30, 2020:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation</u>
Mutual funds	\$ 262,287	\$ 266,455	\$ 4,169

Credit Risk: Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the levels of risk associated with certain investment securities, it is at least reasonably possible that changes, either increases or decreases, in the values of investment securities will occur in the near term and those changes could materially affect the Organization’s account balances and amounts reported in the Statement of Activities. The Organization utilizes brokers with which it does business and invests in mutual funds of governmental securities to minimize the risk of possible losses.

The Organization accepts donated marketable investment securities to be invested or liquidated as the Organization deems appropriate.

NOTE C – COLLATERALIZATION

At June 30, 2020 the Organization’s carrying amount of cash and cash equivalents was \$225,489 and financial institution balances were \$206,828. Bank balances are insured by federal depository insurance (“FDIC”) per financial institution up to \$250,000. At June 30, 2020, all bank balances were fully insured by the FDIC.

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2020

NOTE D – ACCOUNTS RECEIVABLE

Accounts receivable include amounts earned on state, county and other contractual assistance contracts and client program in which reimbursement has not been received. The Organization's receivables as of June 30, 2020 are as follows:

Contractual Assistance

Georgia Department of Human Services Atlanta Regional Commission Home Access Program	\$ 12,866
Southern Georgia Regional Commission AAA Durable Medical Equipment Program m	<u>2,500</u>
Total accounts receivable	<u>\$ 15,366</u>

NOTE E – PROPERTY AND EQUIPMENT

The following is a summary of changes in the Organization's property and equipment for the year ended June 30, 2020:

Land	\$ 425,000
Land improvements	8,145
Buildings and improvements	3,868,893
Furniture and fixtures	467,060
Office and computer equipment	<u>337,220</u>
	5,106,318
Less accumulated depreciation	<u>(1,960,344)</u>
	<u>\$ 3,145,974</u>

Depreciation expense for the year ended June 30, 2020 was \$144,804.

NOTE F – ACCUMULATED EMPLOYEES' LEAVE

The Organization's employees earn up to 10 days per year of vacation leave, 15 days for employees with over 10 years of service, and up to six days per year of sick leave. Excess sick leave is charged against vacation leave and unused sick leave may be converted to vacation leave at the discretion of the Executive Director. Any unused vacation or sick leave at December 31 of each calendar year is forfeited. Vacation and sick leave is not cumulative and employees have no claim for compensation upon retirement or termination from employment.

NOTE G – THRIFT STORE

The Organization operates a thrift store that receives donated clothes, books, furniture, appliances, and other household items, which they sell to the general public. Support and revenue is recognized at the time of sale of the donated items. The proceeds are used to support the Organization's operations and program services.

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2020

NOTE H – LIQUIDITY

The Organization’s financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash and cash equivalents	\$ 225,489
Accounts receivable	38,706
Investments	<u>116,455</u>
	<u>\$ 380,650</u>

As part of the liquidity management, the Organization has structured its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE I – CONTINGENCIES

Grants often require the fulfillment of certain conditions as set forth in the related instrument. Failure to fulfill the conditions could result in the return of funds to the grantors. Although the return of funds is a possibility, management deems the contingency unlikely, since upon accepting the grants the Organization has agreed to comply with the provisions thereof.

NOTE J – COVID-19

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of business operations causing financial hardships on individuals and businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. The Organization expects this matter to negatively impact its operating results which cannot be reasonably estimated by management at this time.

NOTE K – DATE OF MANAGEMENT’S REVIEW OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 13, 2021, the date which the financial statements were available to be issued with the following item disclosed:

SUPPLEMENTAL INFORMATION

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO! INC.

STATEMENT OF CONTRACTUAL ASSISTANCE

Year Ended June 30, 2020

FUNDING AGENCY PROGRAM/GRANT	ENTITY IDENTIFYING NUMBER	AWARDED IN PERIOD	REVENUES IN PERIOD	ACCOUNTS RECEIVABLE JUNE 30, 2020	EXPENDITURES IN PERIOD
STATE AND COUNTY					
DeKalb County Board of Commissioners Human Services Grant Durable Medical Equipment Program CY 2019	N/A	\$ -	7,334	\$ -	\$ 7,334
CY 2020	N/A	12,566	3,970	-	3,970
Fulton County Board of Commissioners Home Medical Equipment Program CY 2019	N/A	-	34,500	-	34,500
CY 2020	20-0132	50,000	24,924	-	24,924
Georgia Department of Human Services Atlanta Regional Commission Home Access Program 2019-2020	N/A	129,207	129,207	12,866	129,207
Georgia Vocational Rehabilitation Agency Vocational Rehabilitation Program SFY 2020	42700-610-0000075820	<u>50,000</u>	<u>33,333</u>	<u>-</u>	<u>33,333</u>
Total State and County		<u>241,773</u>	<u>233,268</u>	<u>12,866</u>	<u>233,268</u>
OTHER					
Small Business Administration Payroll Protection Program FFY 2020	N/A	188,400	188,400	-	188,400
Georgia Institute of Technology Tools for Life Vocational Rehabilitation Program Durable Medical Equipment Program FFY 2017-2019	T8507-G1	-	46,132	-	46,132
FFY 2019-2020	AWD-103580-G2	64,800	58,119	-	58,119
Coastal Regional Area Agency on Aging Durable Medical Equipment Program SFY 2020	N/A	2,500	2,500	-	2,500
SFY 2021	N/A	2,500	2,500	2,500	2,500
Northwest Georgia Area Agency on Aging Durable Medical Equipment Program SFY 2020	N/A	2,250	2,250	-	2,250
River Valley Regional Commission Durable Medical Equipment Program SFY 2020	N/A	2,000	2,000	-	2,000
Life, Inc. Durable Medical Equipment Program SFY 2020	N/A	750	750	-	750
Walton Options for Independent Living Durable Medical Equipment Program SFY 2020	N/A	1,500	1,500	-	1,500
GEMA HSA Durable Medical Equipment Program SFY 2020	N/A	1,200	1,200	-	1,200
Cobb Senior Services Durable Medical Equipment Program SFY 2020	N/A	625	625	-	625
SC Assistive Durable Medical Equipment Program SFY 2020	N/A	900	900	-	900
Legacy Link Durable Medical Equipment Program SFY 2020	N/A	1,250	1,250	-	1,250
Senior Care Volunteer Network Durable Medical Equipment Program SFY 2020	N/A	1,200	1,200	-	1,200
Southern Georgia Regional Commission AAA Durable Medical Equipment Program SFY 2020	N/A	2,500	2,500	-	2,500
Three Rivers AAA Durable Medical Equipment Program SFY 2020	N/A	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Total Other		<u>85,475</u>	<u>124,926</u>	<u>2,500</u>	<u>313,326</u>
Total		<u>\$ 327,248</u>	<u>\$ 358,194</u>	<u>\$ 15,366</u>	<u>\$ 546,594</u>

See accompanying notes and independent auditors' report.

**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***

FRICKE & ASSOCIATES, LLC

Certified Public Accountants

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**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**

Independent Auditor's Report

To the Board of Directors
Friends of Disabled Adults and Children, Too! Inc.
Stone Mountain, Georgia

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 **Friends of Disabled Adults and Children, Too! Inc.** (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2020, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 13, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **Friends of Disabled Adults and Children, Too! 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 **Friends of Disabled Adults and Children, Too! Inc.**'s internal control. Accordingly, we do not express an opinion on the effectiveness of the organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Friends of Disabled Adults and Children, Too! Inc.**'s consolidated 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 consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fripe & Associates, LLC

Peachtree Corners, Georgia
April 13, 2021

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO!

SCHEDULE OF PRIOR PERIOD FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2020

I FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

No matters were reported for the year ended June 30, 2019.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FRIENDS OF DISABLED ADULTS AND CHILDREN, TOO!, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2020

I SUMMARY OF AUDITOR'S RESULTS

1. Type of Report Issued on the Financial Statements

The auditor's opinion on **Friends of Disabled Adults and Children, Too!, Inc.'s** financial statements was unmodified.

2. Internal Control over Financial Reporting

Material Weakness(es) Identified?	_____	yes	<u> X </u>	none reported
Significant deficiencies Identified that are not Considered to be Material Weaknesses(es)?	_____	yes	<u> X </u>	none reported

3. Noncompliance Material to the Financial Statements

The audit report of **Friends of Disabled Adults and Children, Too!, Inc.** disclosed no instances of noncompliance that were deemed to be material to the financial statements.

II FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

No matters reported.