

**THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.**

**FINANCIAL STATEMENTS AND INDEPENDENT  
AUDITOR'S REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**WARDLOW & CASH, P.A.**

**CERTIFIED PUBLIC ACCOUNTANTS**

*Est. 1976*

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
The Friends of Homosassa Springs Wildlife Park, Inc.  
Homosassa, Florida

We have audited the accompanying financial statements of The Friends of Homosassa Springs Wildlife Park, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Friends of Homosassa Springs Wildlife Park, Inc. as of December 31, 2019, 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.

**Emphasis of a Matter – COVID-19**

As more fully described in Note F to the financial statements, the Organization may be negatively impacted by the outbreak of a novel coronavirus (COVID-19), which was declared a global pandemic by the World Health Organization in March 2020.

**Emphasis of a Matter – Adoption of New Accounting Pronouncements**

As discussed in Note D, the Financial Accounting Standards Board recently issued Accounting Standards Update ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*, which supersedes accounting standards that currently exist under generally accepted accounting principles and will improve the current net asset requirements and the information presented in financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. As a result of the adoption of this ASU, there was no reclassification or restatement of the net asset balances. Our opinion is not modified with respect to this matter.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2020, on our consideration of The Friends of Homosassa Springs Wildlife Park, 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 The Friends of Homosassa Springs Wildlife Park, Inc.'s internal control over financial reporting and compliance.

*Wendy J. Cash, P.A.*

Inverness, Florida  
June 24, 2020

THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2019

ASSETS

Cash and cash equivalents	\$ 657,844
Restricted cash	29,347
Equipment, net of accumulated depreciation	<u>196,797</u>
TOTAL ASSETS	<u>\$ 883,988</u>

LIABILITIES AND NET ASSETS

NET ASSETS

Net assets without donor restrictions	\$ 854,641
Net Assets with donor restrictions	<u>29,347</u>
Total Net Assets	<u>883,988</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 883,988</u>

Read the accompanying notes to financial statements.

THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2019

NET ASSETS WITHOUT DONOR RESTRICTIONS

Support and revenues without donor restrictions:

Organizations and individuals	\$ 120,897
Memberships	22,939
Fund-raising	14,808
Interest	4,007
Other	<u>180,137</u>
TOTAL SUPPORT AND REVENUES WITHOUT DONOR RESTRICTIONS	<u>342,788</u>

Expenses:

Program services	357,309
General and administrative	<u>85,554</u>
TOTAL EXPENSES	<u>442,863</u>

DECREASE IN NET ASSETS (100,075)

NET ASSETS AT BEGINNING OF YEAR 984,063

NET ASSETS AT END OF YEAR \$ 883,988

Read the accompanying notes to financial statements.

THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:	
Decrease in net assets	\$ (100,075)
Adjustments to reconcile decrease in net assets to net cash used in operating activities	
Depreciation	64,173
NET CASH USED IN OPERATING ACTIVITIES	<u>(35,902)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Sale of equipment	519
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>519</u>
NET DECREASE IN CASH	(35,383)
CASH- BEGINNING OF YEAR	<u>693,227</u>
CASH- END OF YEAR	<u>\$ 657,844</u>

Read the accompanying notes to financial statements.

THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Friends of Homosassa Springs Wildlife Park, Inc. (the "Organization") is a nonprofit Florida corporation that supports the goals of the Homosassa Springs Wildlife State Park. Specifically, the Organization raises funds to preserve and enhance the wildlife exhibits and works to increase public interest regarding the park. Support is primarily generated through individual and business memberships.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

The Organization follows standards of accounting and financial reporting prescribed for not-for-profit organizations.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards Codification (ASC) No. 958-205, Financial Statements of Not-For-Profit Organizations. Under ASC No. 958-205, the Organization is required to report information regarding its financial position and activities as follows:

- Without Donor Restrictions  
Net assets that are not subject to donor-imposed stipulations.
- With Donor Restrictions  
Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or passage of time. When a restriction expires, donor restricted assets are reclassified to without donor restrictions, and reports in the statement of activities as net assets released from restriction.

Public Support

Contributions – The Organization receives contributions from individuals and business organizations.

THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Equipment and Depreciation

All acquisitions of equipment in excess of \$100, and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets, are capitalized. Equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Donated Equipment

Donations of equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire equipment are reported as restricted contributions. 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.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Income Taxes

The Organization is exempt from federal income tax under 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A). Under these provisions, no tax is paid on income it receives as long as it maintains its tax exempt status. Accordingly, no provision for income taxes is provided in the accompanying financial statements. The Organization annually files Form 990 as required for not-for-profit organizations. These returns are subject to examination by the applicable taxing authorities for the last three preceding years.

THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

Concentrations

Credit Risk:

Financial instruments that potentially subject the Organization to concentrations of credit risk include cash deposits. The Organization maintains its cash investments with one high credit, quality financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2019, the Organization had \$105,794 of uninsured deposits.

Other Concentrations:

The Organization provides its services primarily within the geographical boundaries of Citrus County, Florida.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Advertising

The Council expenses advertising costs as they are incurred. Total advertising expenses for the year ended December 31, 2019 were \$3,257.

Subsequent Events

The Organization has evaluated subsequent events through June 24, 2020, the date which the financial statements were available to be issued.

THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE B - EQUIPMENT

At December 31, 2019, property and equipment consists of the following:

		Estimated Useful Lives (Years)
Equipment	\$ 417,525	<u>5 - 7</u>
Less accumulated depreciation	<u>(220,728)</u>	
Equipment, net	<u>\$ 196,797</u>	

Depreciation expense for the year ended December 31, 2019, was \$64,173.

NOTE C - NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2019, net assets with donor restrictions are available for the following purposes:

Manatee Fund	\$ 12,504
Underwater Observatory	<u>16,844</u>
Net assets with donor restrictions	<u>\$ 29,347</u>

NOTE D - ADOPTION OF NEW ACCOUNTING STANDARD

During the year ended December 31, 2019, the Organization adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14 – *Not-for-Profit Entities: Presentation of Financial Statements of Not-for Profit Entities* (ASU 2016-14). This update addresses the complexity and understandability of net asset 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 between not-for-profit entities.

A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions.

THE FRIENDS OF HOMOSASSA SPRINGS WILDLIFE PARK, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE E - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Organization's financial assets as of December 31, 2019, reduced by amounts not available for general expenditure within one year, because of contractual or donor-imposed restrictions.

	<u>2019</u>
Cash and cash equivalents	\$ 657,844
Restricted cash	<u>29,347</u>
Financial assets, at year-end	<u>687,191</u>
Less those unavailable for general expenditure within one year due to:	
Restricted cash	<u>(29,347)</u>
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 657,844</u>

The Organization believes with the cash levels present at year end that the Organization has enough liquidity to meet its obligations as they come due.

NOTE F- COVID-19 – SUBSEQUENT EVENT

Subsequent to year-end, the novel coronavirus (COVID-19) pandemic has created economic disruptions throughout the country as of the date of this report causing significant declines in the financial markets and economic activity overall. The Organization may experience delays in receipt of payment from granting agencies, which may in turn cause a delay in payment to providers. The ultimate effects of these items are expected to be significant, but are not quantifiable at this time.

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

Board of Directors  
The Friends of Homosassa Springs Wildlife Park, Inc.

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 The Friends of Homosassa Springs Wildlife Park, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019, and the related 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 June 24, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered The Friends of Homosassa Springs Wildlife Park, 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 The Friends of Homosassa Springs Wildlife Park, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Friends of Homosassa Springs Wildlife Park, Inc.'s internal control.

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

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

Board of Directors  
The Friends of Homosassa Springs Wildlife Park, Inc.

### **Compliance and Other Matters**


As part of obtaining reasonable assurance about whether The Friends of Homosassa Springs Wildlife Park, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

*Wahle & Co., P.A.*

Inverness, Florida  
June 24, 2020



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# WARDLOW & CASH, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

Est. 1976

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To the Board of Directors  
The Friends of Homosassa Springs  
Wildlife Park, Inc.

We have audited the financial statements of The Friends of Homosassa Springs Wildlife Park, Inc. for the year ended December 31, 2019, and have issued our report thereon dated June 24, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 13, 2020. Professional standards also require that we communicate to you the following information related to our audit.

## **Significant Audit Findings**

### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by The Friends of Homosassa Springs Wildlife Park, Inc. are described in Note A to the financial statements. As described in Note A, the Association changed accounting policies related to basis of presentation by adopting FASB Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958) - *Presentation of Financial Statements of Not-for-Profit Entities*, in 2019. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### ***Disagreements with Management***

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Board of Directors  
The Friends of Homosassa Springs  
Wildlife Park, Inc.

***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated June 24, 2020.

***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of The Friends of Homosassa Springs Wildlife Park, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

*Wash & Cash, P.A.*

June 24, 2020  
Inverness, Florida

