

**BAKER SENIOR CENTER NAPLES, INC.**  
**FINANCIAL STATEMENTS,**  
**SUPPLEMENTARY INFORMATION AND**  
**REPORTS OF INDEPENDENT AUDITOR**

**Years Ended June 30, 2023 and 2022**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Baker Senior Center Naples, Inc.  
Naples, Florida

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of Baker Senior Center Naples, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the 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 Baker Senior Center Naples, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Baker Senior Center Naples, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these 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 Baker Senior Center Naples, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's 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 auditor's 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 and *Government 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 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 and *Government 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 Baker Senior Center Naples, Inc.'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 Baker Senior Center Naples, Inc.'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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance for the year ended June 30, 2023, as required by the Florida Single Audit Act (Florida Statutes Chapter 215.97) and Chapter 10.650, Rules of the Auditor General, 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 schedule of expenditures of state financial assistance for the year ended June 30, 2023 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 February 2 2024, on our consideration of Baker Senior Center Naples, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Baker Senior Center Naples, Inc.'s 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 Baker Senior Center Naples, Inc.'s internal control over financial reporting and compliance.

  
HUGHES, SNELL & CO., P.A.

Fort Myers, Florida  
February 2, 2024

BAKER SENIOR CENTER NAPLES, INC.

Statements of Financial Position  
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 868,475	\$ 1,162,905
Accounts receivable	97,061	46,390
Promises to give, net	4,720	21,033
Inventory - food pantry	9,645	24,025
Prepaid expenses	81,529	98,386
Cash restricted for capital project	643,711	6,095,645
Promises to give, net, restricted for capital project	544,517	2,829,396
Investments	6,100,912	2,168,271
Beneficial interest in assets held by community foundation	413,373	382,505
Property and equipment, net	14,665,895	10,571,040
Deposits	7,731	11,244
	<u>23,437,569</u>	<u>23,410,840</u>
Total Assets	\$ <u>23,437,569</u>	\$ <u>23,410,840</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 87,369	\$ 1,424,299
Accrued expenses	190,743	132,711
Deferred revenue	59,528	15,524
Due to others	334,911	-
	<u>672,551</u>	<u>1,572,534</u>
Total Liabilities	\$ <u>672,551</u>	\$ <u>1,572,534</u>
<u>NET ASSETS</u>		
Without donor restrictions	20,817,608	532,918
With donor restrictions	1,947,410	21,305,388
	<u>22,765,018</u>	<u>21,838,306</u>
Total Net Assets	\$ <u>22,765,018</u>	\$ <u>21,838,306</u>
Total Liabilities and Net Assets	\$ <u>23,437,569</u>	\$ <u>23,410,840</u>

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

BAKER SENIOR CENTER NAPLES, INC.

Statements of Activities  
Years Ended June 30, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND SUPPORT</b>						
Current period contributions received	\$ 2,678,215	\$ 900,610	\$ 3,578,825	\$ 1,644,131	\$ 1,520,492	\$ 3,164,623
Current period contributions receivable in future years	-	24,718	24,718	-	590,000	590,000
Contributions of nonfinancial assets	27,577	-	27,577	16,675	-	16,675
Special events, net	182,199	556,611	738,810	417,037	-	417,037
Membership and program fees	207,583	-	207,583	103,309	-	103,309
Loss on disposal of property and equipment	(102,883)	-	(102,883)	-	-	-
Net investment return	36,222	387,575	423,797	(51,859)	(331,729)	(383,588)
Total revenues and support before net assets released from restrictions	3,028,913	1,869,514	4,898,427	2,129,293	1,778,763	3,908,056
Net assets released from restrictions	21,227,492	(21,227,492)	-	640,474	(640,474)	-
Total Revenues and Support	<u>24,256,405</u>	<u>(19,357,978)</u>	<u>4,898,427</u>	<u>2,769,767</u>	<u>1,138,289</u>	<u>3,908,056</u>
<b>EXPENSES</b>						
Program services	3,444,854	-	3,444,854	2,207,121	-	2,207,121
Management and general	323,492	-	323,492	588,398	-	588,398
Fundraising	85,357	-	85,357	158,603	-	158,603
Capital campaign	118,012	-	118,012	293,164	-	293,164
Total Expenses	<u>3,971,715</u>	<u>-</u>	<u>3,971,715</u>	<u>3,247,286</u>	<u>-</u>	<u>3,247,286</u>
Change in Net Assets	20,284,690	(19,357,978)	926,712	(477,519)	1,138,289	660,770
NET ASSETS, BEGINNING OF YEAR	<u>532,918</u>	<u>21,305,388</u>	<u>21,838,306</u>	<u>1,010,437</u>	<u>20,167,099</u>	<u>21,177,536</u>
NET ASSETS, END OF YEAR	<u>\$ 20,817,608</u>	<u>\$ 1,947,410</u>	<u>\$ 22,765,018</u>	<u>\$ 532,918</u>	<u>\$ 21,305,388</u>	<u>\$ 21,838,306</u>

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



BAKER SENIOR CENTER NAPLES, INC.

Statement of Functional Expenses  
Year Ended June 30, 2022

2022

	Program Services							Supporting Services			Direct Costs -	
	Community Outreach	Direct Financial Assistance	Emotional Support Services	Case Management	Dementia Services	Senior Center	Total Program Services	Management and General	Fundraising	Capital Campaign	Special Events	Total
Salaries, benefits and taxes	\$ 167,211	\$ 155,229	\$ 124,225	\$ 228,807	\$ 325,025	\$ 340,741	\$ 1,341,238	\$ 160,790	\$ 120,670	\$ -	\$ -	\$ 1,622,698
Contract services	4,788	11,182	3,397	13,720	23,058	32,110	88,255	22,137	7,860	212,568	64,663	395,483
Office expense	1,513	5,688	1,129	4,546	8,642	23,723	45,241	16,714	4,094	4,471	-	70,520
Facility and equipment expense	13,845	32,166	5,655	20,935	57,402	141,589	271,592	86,853	7,242	-	106,175	471,862
Travel and meeting expense	94	73	13	58	110	98	446	13	2,442	-	-	2,901
Program expense	897	25,501	166	16,566	97,620	65,695	206,445	-	778	-	-	207,223
Direct financial assistance	20	47,972 *	13	119	112	103	48,339	-	53	-	-	48,392
Other expense	4,389	10,906	2,055	8,843	27,523	17,169	70,885	22,893	11,457	76,125	27,575	208,935
Bad debt expense	-	-	-	-	-	-	-	233,591	-	-	-	233,591
Charitable contributions	188	711	129	569	1,075	965	3,637	3,501	512	-	-	7,650
Depreciation	6,680	15,520	2,729	10,101	27,696	68,317	131,043	41,906	3,495	-	-	176,444
Total expenses	\$ <u>199,625</u>	\$ <u>304,948</u>	\$ <u>139,511</u>	\$ <u>304,264</u>	\$ <u>568,263</u>	\$ <u>690,510</u>	\$ <u>2,207,121</u>	\$ <u>588,398</u>	\$ <u>158,603</u>	\$ <u>293,164</u>	\$ <u>198,413</u>	\$ <u>3,445,699</u>
											Direct costs - special events	<u>(198,413)</u>
											Total Expenses - Statement of Activities	\$ <u>3,247,286</u>

\* Includes home, medical and food assistance

The accompanying notes are an integral part of this financial statement.

BAKER SENIOR CENTER NAPLES, INC.

Statements of Cash Flows  
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 926,712	\$ 660,770
Adjustments to reconcile change in net assets to net cash used in operating activities		
Net realized and unrealized (gains) losses on investments	(332,424)	351,918
Provision for bad debts	27,225	233,591
Depreciation	274,335	176,444
Loss on disposal of property and equipment	102,883	-
Change in value of beneficial interest in assets held by community foundation	(30,868)	62,307
Amortization of discount on promises to give	(16,791)	(124,728)
In-kind donation of property and equipment	(23,250)	(14,900)
Contributions restricted for capital project	(1,685,184)	(2,016,753)
(Increase) decrease in operating assets:		
Accounts receivable	(74,548)	34,309
Promises to give	15,000	1,250
Inventory	14,380	(1,400)
Prepaid expenses	16,857	(38,619)
Deposits	3,513	-
Increase (decrease) in operating liabilities:		
Accounts payable	(40,502)	44,215
Accrued expenses	58,032	41,508
Deferred revenue	44,004	10,422
Due to others	334,911	-
Net Cash Used in Operating Activities	<u>(385,715)</u>	<u>(579,666)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(5,745,251)	(5,608,187)
Purchases of investments	(10,016,174)	(3,231,526)
Proceeds from sale of investments	6,918,757	711,337
Net Cash Used in Investing Activities	<u>(8,842,668)</u>	<u>(8,128,376)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Contributions received for capital project	3,482,019	8,168,978
Net Cash Provided by Financing Activities	<u>3,482,019</u>	<u>8,168,978</u>
<b>NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>(5,746,364)</b>	<b>(539,064)</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>		
Beginning of Year	<u>7,258,550</u>	<u>7,797,614</u>
End of Year	<u>\$ 1,512,186</u>	<u>\$ 7,258,550</u>

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

BAKER SENIOR CENTER NAPLES, INC.

Statements of Cash Flows  
Years Ended June 30, 2023 and 2022

Noncash investing and financing activities:

As of June 30, 2022, construction in process included \$1,296,428 of completed work that was due and payable during the year ended June 30, 2023.

	<u>2023</u>	<u>2022</u>
Reconciliation to Statement of Financial Position		
Cash and cash equivalents	\$ 868,475	\$ 1,162,905
Cash restricted for capital project	643,711	6,095,645
	<u>\$ 1,512,186</u>	<u>\$ 7,258,550</u>

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

## BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Nature of Activities

Baker Senior Center Naples, Inc. ("the Organization"), formerly Naples Senior Center at JFCS, Inc., was established under the laws of the state of Florida on November 22, 2011, as a nonprofit corporation and is located in Naples, Florida. The mission of the Organization is to provide confidence, connection and support to seniors by providing a wide range of senior center activities as well as social services including dementia respite, mental health counseling, case management, financial assistance and crisis intervention.

#### Basis of Accounting

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

#### Financial Statement Presentation

The Organization presents the financial statements on the basis of net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are created only by donor-imposed restrictions on their use. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

#### Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Bank deposits and money market funds held in the board endowment and operating reserve investment accounts are classified as investments as these funds are not intended for current operations.

#### Accounts Receivable

Accounts receivable are recorded at the net realizable amount from members for services rendered as well as from grantors for amounts due under cost reimbursement agreements and other receivables. Accounts receivable are written off when deemed uncollectible. No allowance for uncollectible accounts has been recorded as management has determined the accounts receivable balance to be fully collectible. Accounts receivable consisted of service fee receivables of \$27,091 and \$15,576 and grant and other receivables of \$69,970 and \$30,814 as of June 30, 2023 and 2022, respectively.

#### Inventory

Inventory consists of various types of donated and purchased food items as well as household supplies that are provided to those being served through the Organization and is valued at the lower of cost or net realizable value on a first in, first out basis.

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Promises to Give

Unconditional promises to give are recognized in the period received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future periods are initially recorded at fair value using present value techniques incorporating appropriate discount rates. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the promises to give. An allowance for uncollectible promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. As of June 30, 2023 and 2022, the allowance was \$62,956.

Investments

The Organization carries investments at fair value with realized and unrealized gains and losses included in the statements of activities. Interest and dividend income are presented net of investment advisory and management fees and is reflected within net investment return in the statements of activities. Net investment return is reported as a change in net assets without donor restrictions unless otherwise restricted by the donor or required by accounting standards.

Beneficial Interest in Assets Held by Community Foundation

The Community Foundation of Collier County (CFCC) maintains two agency endowment funds for the benefit of the Organization. The funds are held and invested by CFCC within an investment pool and the Organization's beneficial interest in those assets held by CFCC is reported at fair value in the statements of financial position, with distributions recognized as contributions and changes in fair value recognized within net investment return in the statements of activities.

Property and Equipment

Property and equipment are recorded at cost, or if donated, at fair value on the date of donation for items with a cost or donated fair value of \$500 or more. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Components of property and equipment of the Organization are estimated to have useful lives between 3 and 39 years.

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Due to Others

During the year ended June 30, 2023, the Organization entered into an agreement with the Community Foundation of Collier County, Inc. (the Foundation) to facilitate a program to provide mobile homes to seniors who lost their homes during a hurricane. The Organization received funding from the Foundation to purchase new mobile homes and for any related expenses to the program. The Organization received disbursement funds of \$1,200,000, of which \$310,438 of unspent funds is recognized in due to others in the statement of financial position as of June 30, 2023. Due to others also includes \$24,473 of insurance or disaster relief proceeds received by the recipients to be used for future insurance premiums for the new mobile homes. As the Organization is acting as an agent for the program, the funding from the Foundation and the disbursement of the funds are not recognized as contribution revenue or expenses in the statements of activities.

Revenue Recognition

The Organization recognizes revenue from membership fees during the year in which the related services are provided to the members. The performance obligation of delivering services is simultaneously received and consumed by the members within the fiscal year; therefore, the revenue is recognized during the fiscal year. Program fee revenue is recognized when the program services are provided to the members.

The collection of dues, receipt of fees for services, and sale of event tickets prior to performing services are recorded as deferred revenue.

Contributions

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. 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. State contracts and grants are conditioned upon certain performance requirements and/or incurring allowable expenses. As of June 30, 2022, the Organization received a state contract award of \$1,400,000, of which no amounts had been received in advance, and was not recognized in the financial statements as the conditions had not been met. During the year ended June 30, 2023, the grant funds were received, fully expended and recognized in the accompanying financial statements as of June 30, 2023.

All contributions are considered available for unrestricted use, unless specifically restricted by the donor. Donations of marketable equity and debt securities are immediately sold, absent any donor restrictions to hold and maintain the donated investments. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the same reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, or when the purpose of the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Donated Services and Contributions of Nonfinancial Assets

Members of the Organization provide substantial amounts of volunteer time in support of the Organization and its programs. However, the volunteer hours are not reflected in the financial statements since the services do not meet the criteria for recognition under generally accepted accounting principles. The Organization records donated professional services at fair value at the time of donation. During the years ended June 30, 2023 and 2022, there were no donated professional services recorded.

Contributions of nonfinancial assets are recorded at fair value on the date of donation. The Organization reports contributions of nonfinancial assets as support without donor restrictions absent explicit donor restrictions specifying how the donated items must be used. Gifts of long-lived assets, or monetary contributions for the purchase or construction of long-lived assets, are reported as support with donor restrictions and the expiration of donor restrictions occurs when the long-lived assets are placed in service.

Total contributions of nonfinancial assets received for the years ended June 30, 2023 and 2022, are as follows:

<u>Type</u>	<u>Program</u>	<u>Valuation</u>	<u>2023</u>	<u>2022</u>
Gift cards	Food Pantry	Face value	\$ 1,425	\$ 1,400
Supplies	Senior Center	Comparable market pricing	2,902	375
Artwork	Administration	Comparable market pricing	23,250	-
Musical equipment	Senior Center	Comparable market pricing	-	14,900
Total			\$ <u>27,577</u>	\$ <u>16,675</u>

Advertising Costs

Advertising costs are expensed as incurred and amounted to \$2,776 and \$10,788 for the years ended June 30, 2023 and 2022, respectively.

Functional Expenses

The statements of functional expenses report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include: facility and equipment expense which is allocated on a square footage basis; salaries, benefits and taxes are allocated on the basis of estimated time and effort; and office expense, travel and meeting expense and other expense are allocated based on the average of the personnel allocation described above.

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Income Taxes

The Internal Revenue Service has determined the Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Organization reports no unrelated business taxable income; however, such status is subject to final determination upon examination of the related tax returns by the appropriate taxing authorities. The Organization has evaluated its tax positions and management believes all positions taken would be upheld under examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the years ended June 30, 2023 and 2022. Currently, the last three tax years are open and subject to examination by the Internal Revenue Service.

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.

Subsequent Events

Management has evaluated subsequent events through February 2, 2024, which is the date the financial statements were available to be issued.

**NOTE B – LIQUIDITY AND AVAILABILITY**

The following represents the Organization’s financial assets at June 30, 2023 and 2022:

Financial assets at year-end:	2023	2022
Cash, cash equivalents, and restricted cash	\$ 1,512,186	\$ 7,258,550
Accounts receivable	97,061	46,390
Promises to give, net	549,237	2,850,429
Investments	6,100,912	2,168,271
Beneficial interest in asset held by community foundation	413,373	382,505
Total financial assets at year-end	<u>8,672,769</u>	<u>12,706,145</u>
Less amounts not available to be used within one year:		
Cash and promises to give restricted for capital project	(1,188,228)	(8,925,041)
Investments held for future appropriation	(2,948,684)	(2,168,271)
Promises to give due after one year	(7,470)	(11,969)
Donor-restricted funds	<u>(754,464)</u>	<u>(771,295)</u>
Financial assets available before Board designations	3,773,923	829,569

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE B – LIQUIDITY AND AVAILABILITY (continued)**

	<u>2023</u>	<u>2022</u>
Less Board designated net assets		
Investments held for operating reserves	(3,152,228)	-
Beneficial interest in assets held by other	<u>(413,373)</u>	<u>(382,505)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 208,322</u>	<u>\$ 447,064</u>

The Organization manages its liquidity and reserves following the guiding principles of operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that any long-term obligations will be discharged. The Organization receives significant contributions and promises to give restricted by donors. Included in donor-restricted funds are contributions restricted for programs which are ongoing, major, and central to its annual operations and if the purpose restrictions were met, would be available to meet cash needs for general expenditures.

The Organization has a \$250,000 line of credit available as an additional source of liquidity. The line of credit has no outstanding balance as of June 30, 2023 and 2022. In addition, the beneficial interest in assets held by community foundation represents two board designated endowment funds, which would also be an additional liquidity source subject to the approval by the Board.

**NOTE C – PROMISES TO GIVE, NET**

Unconditional promises to give, net consist of the following as of June 30, 2023 and 2022:

	<u>2023</u>		<u>2022</u>	
	<u>Operating</u>	<u>Capital Project</u>	<u>Operating</u>	<u>Capital Project</u>
Promises to give	\$ 24,950	\$ 594,718	\$ 41,263	\$ 2,896,388
Less: discount (1.75% to 5.40%)	(230)	(7,245)	(230)	(24,036)
Less: allowance for uncollectible	<u>(20,000)</u>	<u>(42,956)</u>	<u>(20,000)</u>	<u>(42,956)</u>
Promises to give, net	<u>\$ 4,720</u>	<u>\$ 544,517</u>	<u>\$ 21,033</u>	<u>\$ 2,829,396</u>

Unconditional promises to give as of June 30, 2023 are expected to be collected as follows:

Year Ending <u>June 30</u>	<u>Operating</u>	<u>Capital Project</u>
2024	\$ 12,750	\$ 321,667
2025	12,200	171,667
2026	-	86,384
2027	-	15,000
	<u>24,950</u>	<u>594,718</u>
Less: discount	(230)	(7,245)
Less: allowance	<u>(20,000)</u>	<u>(42,956)</u>
Total	<u>\$ 4,720</u>	<u>\$ 544,517</u>

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE D - INVESTMENTS**

Investments consisted of the following as of June 30:

	<u>2023</u>	<u>2022</u>
U.S. Treasury bonds	\$ 3,139,889	\$ -
Domestic stocks	1,988,613	1,518,677
Domestic exchange traded funds	64,008	25,367
Foreign stocks	332,729	357,079
Foreign exchange traded funds	458,396	199,162
Bank deposits	117,277	67,986
	<u>\$ 6,100,912</u>	<u>\$ 2,168,271</u>

The composition of net investment return for the years ended June 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Interest and dividend income, net of investment fees	\$ 60,506	\$ 30,637
Net realized and unrealized gains (losses)	332,424	(351,918)
	392,930	(321,281)
Change in value of beneficial interest in assets held by community foundation	30,867	(62,307)
	<u>\$ 423,797</u>	<u>\$ (383,588)</u>

The Organization has investments held for future appropriation that are designated by the Board to form and operate as an endowment to support the future operations of the Organization. The changes in the Board-designated endowment fund for the years ended June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 2,168,271	\$ -
Contributions	501,704	2,489,552
Net investment return	278,709	(321,281)
Amounts appropriated for expenditure	-	-
Balance, end of year	<u>\$ 2,948,684</u>	<u>\$ 2,168,271</u>

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE E - BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATION**

The CFCC maintains two agency endowment funds (the "JFCS of Southwest Florida Endowment Fund" and "Jewish Family & Community Services of Southwest Florida") for the benefit of the Organization. The Organization has granted CFCC's Board of Directors variance power which gives CFCC the power to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgement of CFCC's Board of Directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. However, the Organization may request to withdraw the funds from CFCC at any time provided the funds are held and managed in accordance with any original donor restrictions. The invested assets are subject to CFCC investment and spending policies.

Changes in the funds for the years ended June 30, 2023 and 2022 are as follows:

	2023	2022
Balance at beginning of year	\$ 382,505	\$ 444,812
Principal additions	-	-
Share of appreciation (depreciation)	30,867	(62,307)
Distributions received	-	-
Balance at end of year	<u>\$ 413,372</u>	<u>\$ 382,505</u>

**NOTE F - PROPERTY AND EQUIPMENT, NET**

Property and equipment, net at June 30, 2023 and 2022 consist of the following:

	2023	2022
Land	\$ 2,860,037	\$ -
Building	11,284,062	-
Furniture and fixtures	679,056	315,755
Computer equipment and software	142,537	125,458
Leasehold improvements	-	566,685
	<u>14,965,692</u>	<u>1,007,898</u>
Less: accumulated depreciation	(299,797)	(747,008)
	<u>14,665,895</u>	<u>260,890</u>
Construction in process	-	10,310,150
Total	<u>\$ 14,665,895</u>	<u>\$ 10,571,040</u>

Depreciation expense was \$274,335 and \$176,444 for the years ended June 30, 2023 and 2022, respectively.

Part of the building and certain furniture and fixtures were acquired with funds received under a grant contract with the State in the amount of \$1,400,000. Under the terms of this contract, disposal of such furniture and fixtures requires prior approval from the grantor. In addition, the State has a security interest in the property up to \$1,400,000 of funding for five years ending June 30, 2029.

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

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

Net assets with donor restrictions are restricted for the following purposes and periods as of June 30:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for specific purpose:		
Direct financial assistance	\$ 30,868	\$ 39,770
Case management	102,768	-
Senior center	416,694	-
William Wiener fund – special projects, visibility	139,446	139,306
Investments for future use	64,686	2,232,957
Fund development	-	527,533
Capital project construction	643,711	5,205,243
Promises to give restricted for capital project	544,517	2,829,396
Subject to the passage of time:		
Capital project placed in service	-	10,310,150
Promises to give not restricted for specific purpose	<u>4,720</u>	<u>21,033</u>
Total net assets with donor restrictions	<u>\$ 1,947,410</u>	<u>\$ 21,305,388</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors as follows for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Purpose restrictions accomplished:		
Direct financial assistance	\$ 200,402	\$ 40,675
Case management	270,980	-
Dementia services and programs	-	35,444
Senior center	199,916	-
Fund development	527,533	100,000
Capital project	<u>5,206,905</u>	<u>293,164</u>
	6,405,736	469,283
Expiration of time restrictions:	<u>14,821,756</u>	<u>171,191</u>
	<u>\$ 21,227,492</u>	<u>\$ 640,474</u>

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE H - SPECIAL EVENTS, NET**

Revenues and direct expenses from the Organization's annual special event, An Evening for Better Tomorrows, and other events held during the year ended June 30, 2023, consist of the following:

	<u>Annual Event</u>	<u>Other Events</u>	<u>Total</u>
Revenue	\$ 927,800	\$ 66,809	\$ 994,609
Less: Direct expenses	<u>(227,743)</u>	<u>(28,056)</u>	<u>(255,799)</u>
Total	<u>\$ 700,057</u>	<u>\$ 38,753</u>	<u>\$ 738,810</u>

Revenues and direct expenses from the Organization's annual special event, An Evening for Better Tomorrows, and other events held during the year ended June 30, 2022, consist of the following:

	<u>Annual Event</u>	<u>Other Events</u>	<u>Total</u>
Revenue	\$ 615,450	\$ -	\$ 615,450
Less: Direct expenses	<u>(198,413)</u>	<u>-</u>	<u>(198,413)</u>
Total	<u>\$ 417,037</u>	<u>\$ -</u>	<u>\$ 417,037</u>

**NOTE I - FAIR VALUE MEASUREMENTS**

Professional standards have established a framework for measuring fair value and 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 are as follows:

Level 1 - Inputs that utilize unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and 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, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs that are unobservable for the asset or liability but are developed inputs based on assumptions and information available in the circumstances.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for assets measured at fair value. There were no changes in the methodologies used during the years ended June 30, 2023 and 2022.

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE I - FAIR VALUE MEASUREMENTS (continued)**

*U.S. Treasury bonds* - Valued using observable inputs such as the bond's par value, maturity dates, and related interest and discount rates as well as quoted prices for similar assets.

*Domestic and foreign stocks* – Valued at the closing price reported on the active market on which the individual securities are traded.

*Domestic and foreign exchange traded funds* – Valued at the net asset value (“NAV”) of the shares held at year end as a readily determinable market value.

*Bank deposits* – Valued at cost which approximates fair value.

*Beneficial Interest in Assets Held by Community Foundation* – Valued at the fair value of the Organization's share of the investment pool held by the community foundation as of the measurement date as reported by the community foundation. The underlying investments held by the community foundation are valued with readily available prices, valuation techniques utilizing market prices, or valued using net asset value of shares held utilizing market prices at the measurement date.

The following are the major categories of assets measured at fair value on a recurring basis as of June 30, 2023 and 2022:

Fair Value Measurements as of June 30, 2023

	Level 1	Level 2	Level 3	Total
U.S. Treasury bonds	\$ -	\$ 3,139,889	\$ -	\$ 3,139,889
Domestic stocks	1,988,613	-	-	1,988,613
Domestic exchange traded funds	64,008	-	-	64,008
Foreign stocks	332,729	-	-	332,729
Foreign exchange traded funds	458,396	-	-	458,396
Bank deposits	117,277	-	-	117,277
	<u>2,961,023</u>	<u>3,139,889</u>	<u>-</u>	<u>6,100,912</u>
Beneficial interest in assets held by community foundation	<u>-</u>	<u>-</u>	<u>413,373</u>	<u>413,373</u>
Total	<u>\$ 2,961,023</u>	<u>\$ 3,139,889</u>	<u>\$ 413,373</u>	<u>\$ 6,514,285</u>

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE I - FAIR VALUE MEASUREMENTS (continued)**

Fair Value Measurements as of June 30, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Domestic stocks	\$ 1,518,677	\$ -	\$ -	\$ 1,518,677
Domestic exchange traded funds	25,367	-	-	25,367
Foreign stocks	357,079	-	-	357,079
Foreign exchange traded funds	199,162	-	-	199,162
Bank deposits	<u>67,986</u>	<u>-</u>	<u>-</u>	<u>67,986</u>
Total investments	2,168,271	-	-	2,168,271
Beneficial interest in assets held by community foundation	<u>-</u>	<u>-</u>	<u>382,505</u>	<u>382,505</u>
Total	<u>\$ 2,168,271</u>	<u>\$ -</u>	<u>\$ 382,505</u>	<u>\$ 2,550,776</u>

**NOTE J – LEASE COMMITMENTS**

The Organization leased an office building and senior center under an operating lease agreement that expired on December 31, 2022 upon the completion of the construction and receipt of the certificate of occupancy of the new Senior Center. The lease provided for a base rent plus the Organization’s share of operating expenses and taxes. The Organization also leased additional office space that expired on April 30, 2023.

Rent expense for the years ended June 30, 2023 and 2022 was \$147,833 and \$287,056, respectively.

**NOTE K - PENSION PLAN**

The Organization sponsors a simplified employee pension (SEP) plan that covers all employees meeting certain age requirements. The Organization contributes 6% of the employee's gross wages. Employer contributions to the pension plan amounted to \$95,083 and \$70,695 for the years ended June 30, 2023 and 2022, respectively.

**NOTE L - AGENCY DESIGNATED FUND**

The CFCC also maintains an agency designated fund (the “CFCC Naples Senior Center at JFCS Fund”) in the name of the Organization, which was established with \$5,000 contributed by CFCC. This agency designated fund is the sole property of CFCC, which has ultimate control and authority over all the assets in the fund. Under generally accepted accounting principles, the agency designated fund is not recorded on the statement of financial position of the Organization. As of June 30, 2023 and 2022, the balance of the agency designated fund was \$16,391 and \$14,488, respectively.

BAKER SENIOR CENTER NAPLES, INC.

Notes to Financial Statements  
June 30, 2023 and 2022

**NOTE M - ECONOMIC DEPENDENCY**

The operation of the Organization is dependent on the receipt of support from donors. The loss of these funds and/or significant decreases in this type of funding could have a material effect on the Organization and a negative impact on overall operations. During the year ended June 30, 2023, approximately 24% of operating support and revenue was recognized from two donors. During the year ended June 30, 2022, approximately 29% of operating support and revenue was recognized from one donor.

**NOTE N – CAPITAL PROJECT COMMITMENTS**

Subsequent to year-end, the Organization entered into a contract for construction services of approximately \$85,000.

Baker Senior Center Naples, Inc.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2023

<b>State Agency/Pass Through Entity/ Project Title</b>	<b>CSFA#</b>	<b>Contract #</b>	<b>Expenditures</b>
DEPARTMENT OF ELDER AFFAIRS			
Direct:			
Senior Center – Fixed Capital Outlay (FCO)	65.013 (1)	XF201	\$1,400,000
Passed Through: Area Agency on Aging for Southwest Florida, Inc.			
Home Care for the Elderly	65.001	ADI 388.22	<u>74,643</u>
Total Department of Elder Affairs			<u>\$1,474,643</u>
Total Expenditures of State Financial Assistance			<u>\$1,474,643</u>

(1) Major State Project

The accompanying notes are an integral part of this schedule.

Baker Senior Center Naples, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2023

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the contract activity of State financial assistance projects of Baker Senior Center Naples, Inc. for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Chapter 10.650, Rules of the Auditor General. Because the Schedule presents only a select portion of the activities of the Organization, it is not intended to, and does not, present the total expenditures of the Organization.

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

This Schedule has been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America and in accordance with the reference guide for State expenditures. Such expenditures are recognized following reference guide for State expenditures, whereas certain types of expenditures are not allowable or are limited as to reimbursement.

Expenditures reported on the Schedule include cash disbursements, whether capitalized or expensed, during the year ended June 30, 2023.



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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  
Baker Senior Center Naples, Inc.  
Naples, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of Baker Senior Center Naples, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated February 2, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Baker Senior Center Naples, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Baker Senior Center Naples, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Baker Senior Center Naples, 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 or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Baker Senior Center Naples, 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 financial statements. 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.



HUGHES, SNELL & CO., P.A.

Fort Myers, Florida  
February 2, 2024



CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL  
AND THE FLORIDA SINGLE AUDIT ACT

Board of Directors  
Baker Senior Center Naples, Inc.  
Naples, Florida

**Report on Compliance for Each Major State Project**

We have audited Baker Senior Center Naples, Inc.'s compliance with the types of compliance requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of Baker Senior Center Naples, Inc.'s major State projects for the fiscal year ended June 30, 2023. Baker Senior Center Naples, Inc.'s major State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with Federal and State statutes, regulations, and the terms and conditions of its State projects applicable to its State projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Baker Senior Center Naples, Inc.'s major State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Florida Single Audit Act (Florida Statutes Chapter 215.97) and Chapter 10.650, Rules of the Auditor General. Those standards, the Florida Single Audit Act, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about Baker Senior Center Naples, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State project. However, our audit does not provide a legal determination of the Baker Senior Center Naples, Inc.'s compliance.

***Opinion on Each Major State Project***

In our opinion, Baker Senior Center Naples, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State projects for the fiscal year ended June 30, 2023.

## Report on Internal Control Over Compliance

Management of Baker Senior Center Naples, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Baker Senior Center Naples, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State project and to test and report on internal control over compliance in accordance with the Florida Single Audit Act (Florida Statutes Chapter 215.97) and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Baker Senior Center Naples, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Florida Single Audit Act (Florida Statutes Chapter 215.97) and Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



HUGHES, SNELL & CO., P.A.

Fort Myers, Florida  
February 2, 2024

Baker Senior Center Naples, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – STATE PROJECTS  
Year Ended June 30, 2023

**Summary of Audit Results**

Financial Statements

Type of auditor’s report issued on whether the financial statement audited were prepared in accordance with GAAP	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

State Projects

Internal control over major State projects:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major State projects:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.656, Rules of the Auditor General	No
Identification of major State projects:	
Senior Center – Fixed Capital Outlay (FCO)	65.013
Dollar threshold used to distinguish between Type A and Type B State Projects:	\$442,393

Other Issues

No management letter is required because there were no findings required to be reported in the management letter in accordance with section 10.656(3)(e), Rules of the Auditor General.

No summary schedule of prior audit findings is required because there were no prior audit findings related to State projects in accordance with section 10.656(3)(d)5, Rules of the Auditor General.