

**Report of Independent Auditors  
And Financial Statements for  
The Florida PDMP Foundation, Inc.  
June 30, 2023**

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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors and Management of  
The Florida PDMP Foundation Inc.**

### **Report on the Financial Statements**

We have audited the financial statements of The Florida PDMP Foundation Inc., which comprise the statement of financial position as of June 30, 2023 and the related statements of activities, statement of functional expenses and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Florida PDMP Foundation Inc. as of June 30, 2023, and the results of its operations 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 (GAAS). 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 The Florida PDMP Foundation 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.

### **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.

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 The Florida PDMP Foundation Inc. ability to continue as a going concern for financial year 2024.

## ***Auditor's Responsibility 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 GAAS 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 GAAS, 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 The Florida PDMP Foundation Inc. 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 The Florida PDMP Foundation Inc. 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.

McKenzie Forensic Group, Inc.

Firm Audit License #: **AD67362**

Individual License #: **AC44080**

Principal: Nathan McKenzie, MBA, CPA, CVA, CFE, CAM



Fort Lauderdale

October 18, 2023

**THE FLORIDA PDMP FOUNDATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2023, AND 2022**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash & Cash Equivalent	\$ 163,498	\$ 249,229
Investments	895,608	882,331
Prepaid expenses and other assets	-	7,308
<b>Total Assets</b>	<u>1,059,106</u>	<u>1,138,868</u>
<b>Liabilities And Net Assets</b>		
<b>Liabilities</b>		
Accounts Payable and Accrued Expenses	(856)	314
<b>Total Current Liabilities</b>	<u>(856)</u>	<u>314</u>
<b>Net Assets</b>		
With donor restrictions	-	-
Without donor restrictions	1,059,962	1,138,554
<b>Total Net Assets</b>	<u>1,059,962</u>	<u>1,138,554</u>
<b>Total Liabilities And Net Assets</b>	<u>1,059,106</u>	<u>1,138,868</u>

*See accompanying notes to the financial statements which are an integral part of these statements.*

**THE FLORIDA PDMP FOUNDATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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	<b>2023</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Operating Activities</b>			
<b>Revenues And Other Support</b>			
Contributions	235,666	-	235,666
Total operating revenue and Support	<u>235,666</u>	<u>-</u>	<u>235,666</u>
<b>Expenses</b>			
Program Expenses	163,451	-	163,451
Supporting services:			
Management and General	141,972	-	141,972
Fundraising	23,150	-	23,150
Total support services	<u>165,122</u>	<u>-</u>	<u>165,122</u>
Total expenses	<u>328,573</u>	<u>-</u>	<u>328,573</u>
Change in net assets from operations	<u>(92,907)</u>	<u>-</u>	<u>(92,907)</u>
<b>Non -operating expenses</b>			
Other income	195		195
Interest income	12,846		12,846
	<u>13,041</u>	<u>-</u>	<u>13,041</u>
<b>Change In Net Assets</b>	(79,868)	-	(79,868)
Net Assets, Beginning Of Year	1,138,554	-	1,138,554
Unrealised gain/(loss)	1,275		1,275
<b>Net Assets, End Of Year</b>	<u>1,059,962</u>	<u>-</u>	<u>1,059,962</u>

*See accompanying notes to the financial statements which are an integral part of these statements.*

**THE FLORIDA PDMP FOUNDATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<b>2022</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Operating Activities</b>			
<b>Revenues And Other Support</b>			
Contributions	76,840	-	76,840
Total operating revenue and Support	<u>76,840</u>	<u>-</u>	<u>76,840</u>
<b>Expenses</b>			
Program Expenses	116,597	-	116,597
Supporting services:			
Management and General	79,879	-	79,879
Fundraising	23,089	-	23,089
Total support services	<u>102,968</u>	<u>-</u>	<u>102,968</u>
Total expenses	<u>219,565</u>	<u>-</u>	<u>219,565</u>
Change in net assets from operations	<u>(142,725)</u>	<u>-</u>	<u>(142,725)</u>
<b>Non -operating expenses</b>			
Other income	305	-	305
Interest income	220	-	220
	<u>525</u>	<u>-</u>	<u>525</u>
<b>Change In Net Assets</b>	(142,200)	-	(142,200)
Net Assets, Beginning Of Year	1,282,514	-	1,282,514
Unrealised gain/(loss)	(1,760)		(1,760)
<b>Net Assets, End Of Year</b>	<u>1,138,554</u>	<u>-</u>	<u>1,138,554</u>

*See accompanying notes to the financial statements which are an integral part of these statements.*

**THE FLORIDA PDMP FOUNDATION, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

<b>2023</b>				
<b>Details of Expense Incurred</b>	<b>Program Expenses</b>	<b>Mgmt and General</b>	<b>Fund Raising</b>	<b>Total</b>
Directors fees	\$ -	\$ 120,692	\$ -	120,692
Other salaries & Wages	27,180	-	-	27,180
Legal & Accounting	-	14,625	-	14,625
Fundraising services	-	-	23,150	23,150
Advertising & Promotion	31,635	-	-	31,635
Office Expense & Rent	-	2,155	-	2,155
Program Expenses	49,833	-	-	49,833
Travel & Conference	7,033	-	-	7,033
Insurance	-	1,428	-	1,428
Education Program	30,000	-	-	30,000
Telephone	-	1,770	-	1,770
Website	2,722	-	-	2,722
Auto expense	48	-	-	48
Grant manager	15,000	-	-	15,000
Miscellaneous expense	-	1,302	-	1,302
	<u>163,451</u>	<u>141,972</u>	<u>23,150</u>	<u>328,573</u>

  

<b>2022</b>				
<b>Details of Expense Incurred</b>	<b>Program Expenses</b>	<b>Mgmt and General</b>	<b>Fund Raising</b>	<b>Total</b>
Directors fees	\$ -	\$ 55,385	\$ -	55,385
Other salaries & Wages	66,834	-	-	66,834
Legal & Accounting	-	14,953	-	14,953
Fundraising services	-	-	23,089	23,089
Advertising & Promotion	28,128	-	-	28,128
Office Expense & Rent	-	2,505	-	2,505
Program Expenses	-	-	-	-
Travel & Conference	17,205	-	-	17,205
Insurance	-	1,400	-	1,400
Education Program	4,430	-	-	4,430
Telephone	-	2,078	-	2,078
Website	-	1,848	-	1,848
Auto expense	-	628	-	628
Grant manager	-	-	-	-
Miscellaneous expense	-	1,082	-	1,082
	<u>116,597</u>	<u>79,879</u>	<u>23,089</u>	<u>219,565</u>

*See accompanying notes to the financial statements which are an integral part of these statements.*

**THE FLORIDA PDMP FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS – INDIRECT METHOD**  
**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

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**INDIRECT METHOD**

	<b>2023</b>	<b>2022</b>
<b>Cash flow from operating activities:</b>		
Change in net assets	\$ (79,868)	\$ (142,200)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrealised gain/(loss)	1,276	(1,760)
Others	7,308	-
Prepaid Expenses	-	(7,308)
<b>Net cash provided by (used in) operating activities</b>	<u>(71,284)</u>	<u>(151,268)</u>
<b>Cash Flows From Investing Activities</b>		
Investments	(13,276)	(882,331)
Net Cash used in Investing Activities	-	-
<b>Net cash provided by (used in) investing activities</b>	<u>(13,276)</u>	<u>(882,331)</u>
<b>Cash Flows From financial activities</b>		
C/C 7639	(1,171)	(535)
<b>Net cash provided by (used in) financial activities</b>	<u>(1,171)</u>	<u>(535)</u>
<b>Net increase in cash and cash equivalents</b>	(85,731)	(1,034,134)
<b>Cash and cash equivalents, beginning</b>	<u>249,229</u>	<u>1,283,363</u>
<b>Cash and cash equivalents, ending</b>	<u>163,498</u>	<u>249,229</u>

*See accompanying notes to the financial statements which are an integral part of these statements.*

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Note 1 – Description of the Organization**

The Florida PDMP Foundation Inc.(referred to hereafter as ‘Entity’) provides services & programs designed to aid and provide supplemental funding, and promotional support for educational and outreach activities authorized by the legislature for the State of Florida Prescription Drug Monitoring Program known as E-FORCSE (Electronic-Florida Online Reporting of Controlled Substances Evaluation).

### **Note 2 – Summary of Significant Accounting Policies**

**Basis of presentation** –The financial statements of The Florida PDMP Foundation Inc. have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require The Florida PDMP Foundation Inc. to report information regarding its financial position and activities according to the following net asset classifications:

**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. These net assets may be used at the discretion of The Florida PDMP Foundation Inc.'s management and the board of directors. All net assets are without donor restriction.

**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 Florida PDMP Foundation Inc. 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.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

The Florida PDMP Foundation Inc. does not hold any Net Asset with donor restrictions for the year ended June 30,2023.

**Measure of operations** – The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to The Florida PDMP Foundation Inc.'s ongoing services and programs. Nonoperating activities are limited to resources that generate return from investments or other activities considered to be of a more unusual or nonrecurring nature.

**THE FLORIDA PDMP FOUNDATION INC**  
**NOTES TO THE FINANCIAL STATEMENT**

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**Cash and cash equivalents** – The Florida PDMP Foundation Inc.'s cash consists of cash on deposit with banks. For the purpose of the statement of cash flows. The Entity considers all cash and cash equivalent highly liquid investments with an original maturity of three months or less to be cash equivalent.

**Contributions receivable** – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

**Due to/from related parties** – The Florida PDMP Foundation Inc. does not have amounts due to/from related parties during the current and previous financial years.

**Property and equipment, net** – The Florida PDMP Foundation Inc. does not hold any property or equipment for the year ended June 30, 2023.

**Investments** – The Florida PDMP Foundation Inc. holds investment with Wells Fargo Brokerage of \$895,608 for the year ended June 30, 2023.

**Contributions** – Contributions received are 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. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. 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 and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

**THE FLORIDA PDMP FOUNDATION INC**  
**NOTES TO THE FINANCIAL STATEMENT**

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**Functional expenses** – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

**Use of estimates** – The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**Income taxes** –The Florida PDMP Foundation Inc. is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Florida PDMP Foundation Inc. has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Florida PDMP Foundation Inc. has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

**Advertising-** The Foundation expense advertising cost as they are incurred. Marketing & Promotion Expenses for the year ended June 30, 2023 was approximately \$31,635.

**Fair Value of Financial Instruments** - Cash and cash equivalents, security deposit, accounts payable and accrued expenses in the financial statements approximate fair value because of the short-term maturity of these instruments.

**THE FLORIDA PDMP FOUNDATION INC**  
**NOTES TO THE FINANCIAL STATEMENT**

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**NOTE 3 AVAILABILITY AND LIQUIDITY**

The following represents PDMP financial assets at June 30, 2023 and 2022 are as follows:

Financial Assets at year end:	<b>2023</b>	<b>2022</b>
Cash & Cash Equivalent	<u>163,498</u>	<u>249,229</u>
<b>Total</b>	<b><u>163,498</u></b>	<b><u>249,229</u></b>

Financial Instruments, which potentially subject the Foundation to concentration of credit risk, consist principally of cash and cash equivalents. Cash on deposit is insured up to \$250,000 by the U.S Federal Deposit Insurance Corporation June 30, 2023.

**NOTE 4 GRANTS AND CONTRACTS AWARD**

The Entity receives grants and contracts from private grantors for various purposes. Grants and contract awards not yet received are accrued to the extent that unreimbursed expenses have been incurred for the purposes specified by an approved grant or contract. The Entity defers grants and contract revenues received under approved awards from grantors to the extent they exceed expenses incurred for the purposes specified under the grant restrictions.

**NOTE 5 ACCOUNTS RECEIVABLE**

The Entity does not carry an accounts receivable therefore bad debt expense is not applicable in regards to this audit.

**NOTE 6 INVESTMENTS**

The Florida PDMP Foundation Inc. holds investment with Wells Fargo Brokerage \$895,608 for the year ended June 30, 2023.

**NOTE 7 PROPERTY AND EQUIPMENT**

The Florida PDMP Foundation Inc. did not hold any property and equipment during the current and previous financial year.

**THE FLORIDA PDMP FOUNDATION INC**  
**NOTES TO THE FINANCIAL STATEMENT**

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**NOTE 8 NET ASSETS**

Net assets are without donor restrictions which is as follows for the years ended June 30, 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>
Net assets without donor restrictions	1,059,962	1,138,554

**NOTE 9 PROMISE TO GIVE**

Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. All promises to give are due in less than one year.

**NOTE 10 SUBSEQUENT EVENTS**

The management is not aware of any matter or circumstance that has arisen since end of the reporting period that has significantly affected, or many significantly affect, the operation of the Entity. Subsequent events have been evaluated through October 18, 2023, the date the Financial Statements were available to be issued.