

BETH-EL FARMWORKER MINISTRY, INC.

WIMAUMA, FLORIDA

AUDITED FINANCIAL STATEMENT

DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Beth-El Farmworker Ministry, Inc.
Wimauma, Florida
Report on the Financial Statements

We have audited the accompanying financial statements of **Beth-El Farmworker Ministry, Inc.** (a non-profit organization), which comprise the statement of financial position as of **December 31, 2022**, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all respects, the financial position of **Beth-El Farmworker Ministry, Inc.** as of **December 31, 2022**, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 **Beth-El Farmworker Ministry, Inc.** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 the **Beth-El Farmworker Ministry, Inc.**'s ability to continue as a going concern within one year after the date 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 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, 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 **Beth-El Farmworker Ministry, 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 no conditions or events, considered 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.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Dees & Dees', is written over a light blue horizontal line.

DEES & DEES, C.P.A.'s, P.A.
Port Charlotte, Florida
May 22, 2023

AUDITED FINANCIAL STATEMENTS

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS:

Current Assets:

Cash and cash equivalents	\$ 314,875
Investments	393,415
Accounts receivable	<u>600</u>

Total Current Assets \$ 708,890

Property, Plant and Equipment:

Land	127,841
Buildings and improvements	2,291,419
Vehicles	61,652
Equipment	87,428
Construction in progress	<u>6,500</u>

2,574,840

Less: Accumulated depreciation

(1,884,335)

Total Property, Plant and Equipment

690,505

TOTAL ASSETS

\$ 1,399,395

LIABILITIES AND NET ASSETS:

Current Liabilities:

Accounts payable and accrued expense	\$ <u>26,347</u>
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Total Current Liabilities

26,347

Net Assets:

Net assets without donor restrictions	1,145,222
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Net assets with donor restrictions	<u>227,826</u>
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Total Net Assets

1,373,048

TOTAL LIABILITIES AND FUND BALANCES

\$ 1,399,395

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
STATEMENT OF ACTIVITIES
FOR YEAR ENDED DECEMBER 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Revenue and Support:</u>			
<u>Revenue:</u>			
Event revenue	\$ 28,421	\$ -0-	\$ 28,421
Interest and market gain (loss)	(54,567)	19	(54,548)
Other revenue	<u>34,706</u>	<u>-0-</u>	<u>34,706</u>
Total Revenue	<u>8,560</u>	<u>19</u>	<u>8,579</u>
 <u>Support:</u>			
Partner and donations	556,345	125,000	681,345
Program and outreach	181,700	70,816	252,516
Worshipping community	19,509	-0-	19,509
Wimauma Together Project	-0-	400,000	400,000
In-kind contributions	<u>3,600,000</u>	<u>-0-</u>	<u>3,600,000</u>
Total Support	<u>4,357,554</u>	<u>595,816</u>	<u>4,953,370</u>
 <u>Net Assets Released from Restrictions:</u>	<u>470,890</u>	<u>(470,890)</u>	<u>-0-</u>
 Total Revenue and Support	<u>4,837,004</u>	<u>124,945</u>	<u>4,961,949</u>
 <u>Expenses:</u>			
Program	4,744,096	-0-	4,744,096
Management	173,272	-0-	173,272
Fund raising	<u>34,118</u>	<u>-0-</u>	<u>34,118</u>
Total Expenses	<u>4,951,486</u>	<u>-0-</u>	<u>4,951,486</u>
 Changes in Net Assets	(114,482)	124,945	10,463
 Net Assets, December 31, 2021	<u>1,259,704</u>	<u>102,881</u>	<u>1,362,585</u>
 NET ASSETS, DECEMBER 31, 2022	<u>\$ 1,145,222</u>	<u>\$ 227,826</u>	<u>\$ 1,373,048</u>

Read Independent Auditors' Report
The accompanying notes are an integral part of this statement.

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31, 2022

Cash Flows from Operating Activities:

Change in net assets	\$ 10,463
Adjustments to Reconcile Change in Net Assets to Net Cash from Operating Activities:	
Depreciation expense	108,542
Investment returns – unrealized loss	55,092
Changes in Operating Assets and Liabilities:	
Increase (Decrease) in accounts payable and accrued expenses	9,424
(Increase) Decrease in accounts receivable	<u>(600)</u>
Net Cash Provided by Operating Activities	<u>182,921</u>

Cash Flows from Investing Activities:

Purchase of equipment	(85,970)
Proceeds from investments	<u>50,000</u>
Net Cash (Used) in Investing Activities	<u>(35,970)</u>

Cash Flows from Financing Activities:

	-0-
Net Cash (Used) in Financing Activities	<u>-0-</u>
Net Increase (Decrease) in Cash	146,951
Cash:	
December 31, 2021	<u>167,924</u>
DECEMBER 31, 2022	<u>\$ 314,875</u>

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
STATEMENTS OF FUNCTIONAL EXPENSES
FOR YEAR ENDED DECEMBER 31, 2022

	<u>Program</u>	<u>Management</u>	<u>Fund Raising</u>	<u>Total Expenses</u>
<u>Functional Expenses:</u>				
Program, Worship, Evangelism	\$ 84,613	\$ 4,619	\$ 4,619	\$ 93,851
Program/Education	80,182	-0-	-0-	80,182
Program/Outreach	159,200	-0-	-0-	159,200
Program/Transportation	15,845	-0-	-0-	15,845
Worshipping Community	1,528	-0-	-0-	1,528
Administration	12,159	59,323	4,690	76,172
Program/Building	110,764	12,307	-0-	123,071
Personnel	375,569	92,167	24,809	492,545
Depreciation	103,686	4,856	-0-	108,542
Wimauma Together Project	200,550	-0-	-0-	200,550
In-kind Food and Clothing	<u>3,600,000</u>	<u>-0-</u>	<u>-0-</u>	<u>3,600,000</u>
Total Functional Expenses	<u>\$4,744,096</u>	<u>\$ 173,272</u>	<u>\$ 34,118</u>	<u>\$4,951,486</u>
	95.8%	3.5%	.7%	100.00%

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1: Nature of Organization and Significant Accounting Policies

Nature of Organization

Beth-El Farmworker Ministry, Inc. was incorporated as a Florida corporation, not-for-profit and without capital stock. The purpose of the Organization is to provide ministry of Christian worship, outreach, education and other economic needs of the farmworkers in the Ruskin/Wimauma, Florida areas. The Organization is supported primarily through contributions from individuals, covenant partners, churches and grants.

The significant accounting policies are as follows:

Method of accounting

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

Basis of presentation and New Accounting Pronouncement

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets with Donor Restrictions – These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash in the bank with original maturities of three months or less when purchased excluding cash and cash equivalents in the investment portfolio. The Organization maintains its cash balances in financial institutions located in the United States, which at times may exceed federal insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Cash and securities maintained through a registered securities dealer are insured up to \$500,000 by the Securities Investor Protection Corporation (“SIPC”). SIPC covers losses from fraud and negligence of the registered securities dealer, but not against market losses or investment return. Balances held in accounts may still at times exceed insured limits

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

Note 1: Nature of Organization and Significant Accounting Policies (Cont.)

Contributions

Contributions are recorded as revenue when an unconditional promise to give has been made. 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 statement of activities as net assets released from restrictions.

In-Kind Donations

The Organization received in-kind donations for contributed goods in the amount of \$3,600,000 during the year ended December 31, 2022. Such amounts are recognized at fair value on the date of contribution. They are reported as in-kind donations and are offset by like amounts included in program services expenses for food and clothing in the statements of activities and statements of functional expenses.

Use of 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Property, Plant and Equipment

The policy of the Organization is to carry property, plant and equipment, including substantial capital additions, at cost or, where cost records are not available, at appraised value. Donations of property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed on a straight-line method over the useful lives of the assets, generally as follows:

Building and improvements	5-40 yrs.
Equipment	5 yrs.
Vehicles	5 yrs.

Depreciation expense charged to operations during 2022 was \$108,542.

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

Note 1: Nature of Organization and Significant Accounting Policies (Cont.)

Income Tax Status

The Corporation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for income taxes has been made in these financial statements. The Organization has also been classified as an entity that is not a private foundation with the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

The most significant tax positions of the Organization are its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business tax (UBIT). All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. The Organization qualifies as a religious order and is included in the group tax exemption of the Presbyterian Church (U.S.A.), which is exempt from filing Federal Form 990, Return of Organization Exempt from Income Tax.

Investments

The Organization invests in money market funds, equity funds and fixed income funds reported at fair value. For investments reported at fair value, changes in the fair value are reported as interest and market gain (loss) in the statement of activities. Purchases and sales are reflected on a trade-date basis. Gains and losses on sales are based on average cost and are recorded in the statement of activities in the period in which the securities are sold. Interest and dividends are recorded when earned.

Fair Value Measurements

Generally accepted accounting principles provide a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to the unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Assets and liabilities that are required to be recorded at fair value in the statement of financial position are categorized based on the inputs to valuations techniques as follows:

- *Level 1* inputs are quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.
- *Level 2* inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3* inputs are unobservable inputs for the asset or liability that are supported by little or no market activity and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

Note 2: Property, Plant and Equipment

Property, plant and equipment, consist of the following:

Land	\$ 127,841
Building and improvements	2,291,419
Vehicles	61,652
Equipment	87,428
Construction in progress	<u>6,500</u>
	2,574,840
Less accumulated depreciation	<u>(1,884,335)</u>
	<u>\$ 690,505</u>

Note 3: Investments

The following is a summary of investments which are carried at fair value as a Level I Investment at December 31, 2022:

Vanguard Money Market Fund	\$ 805
Vanguard Wellesley Income Fund	107,382
Vanguard Cash Reserves Money Market Fund-Admiral Shares	<u>285,228</u>
	<u>\$ 393,415</u>

Note 4: Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at December 31, 2022:

Bellora Scholarship Fund	\$ 8,000
Dana Beck Fancher Fund	47,000
Back to School Fund	23,766
Camp Scholarships	22,591
Wimauma Together Project	<u>126,469</u>
	<u>\$ 227,826</u>

Note 5: Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during 2022.

Purpose restrictions accomplished:	
Dana Beck Fancher Fund	\$ 125,000
Bellora Scholarship Fund	50,000
Back to School Fund	563
Camp Scholarships	15,959
Dental Clinic	5,818
Wimauma Together Project	<u>273,550</u>
	<u>\$ 470,890</u>

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

Note 6: Retirement Plans

Full-time employees ordained in the Presbyterian Church who have completed three years of service are eligible for the pension program with the Board of Pensions, Presbyterian Church, U.S.A. Participation begins on the first day of the next quarter after one has completed three years of work. This program is funded by the Organization and operates under a plan established and determined by the Board of Pensions of the Presbyterian Church, U.S.A.

The employer will contribute an amount equal to 9.5% of each participating employee's compensation to the plan, of which 1% is for disability. The employee's benefits are figured by the trustee.

Full-time employees not ordained in the Presbyterian Church are eligible for participation in a 403(b) retirement plan administered by the Board of Pensions, Presbyterian Church, U.S.A. Employees may contribute a portion of their compensation which is matched on a percentage basis by the Organization. Organization contributions to the retirement plan are immediately vested in the employee's accounts.

During the year ending December 31, 2022, total compensation amounted to \$466,688. Total Organization contributions to the benefit plan amounted to \$6,382

In addition, the Organization participates in a 403(b)(9) Retirement Plan. Under the plan, the Organization contributes a matching amount for eligible full-time employees. Retirement contribution expense under this plan amounted to \$10,667 for the year ended December 31, 2022.

The Organization had no additional liability beyond the current contribution, which was paid in full.

Note 7: Liquidity and Availability of Financial Assets

The Organization monitors its liquidity so that it is able to meet its operating needs and other commitments while maximizing the investment of its excess operating cash. The Organization has the following assets that could readily be made available within one year of the statement of financial position to fund expense without limitations:

Cash and cash equivalents	\$ 314,875
Investments	<u>393,415</u>
	708,290
Less:	
Net assets with donor restrictions	<u>(227,826)</u>
Net Financial Assets	<u>\$ 480,464</u>

BETH-EL FARMWORKER MINISTRY, INC.
WIMAUMA, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

Note 8: Subsequent Events

Beth-El Farmworker Ministry, Inc.'s management has performed subsequent events procedures through May 22, 2022, which is the date the financial statements were available to be issued. There were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein.