

JAMAICA OUTREACH
PROGRAM, INC.

FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2020 AND 2019

JAMAICA OUTREACH PROGRAM, INC.

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Jamaica Outreach Program, Inc.
Naples, Florida

We have reviewed the accompanying statements of financial position of Jamaica Outreach Program, Inc. as of September 30, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

ROGERS WOOD HILL STARMAN & GUSTASON, P.A.
Certified Public Accountants & Advisors
December 18, 2020
Naples, FL

JAMAICA OUTREACH PROGRAM, INC.

STATEMENTS OF FINANCIAL POSITION

SEPTEMBER 30, 2020 AND 2019

(See Independent Accountant's Review Report)

ASSETS

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 221,063	\$ 216,605
Prepaid expenses	<u>248</u>	<u>248</u>
Total assets	<u>\$ 221,311</u>	<u>\$ 216,853</u>

LIABILITIES AND NET ASSETS

LIABILITIES:	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS:		
Without donor restrictions	189,567	192,201
With donor restrictions	<u>31,744</u>	<u>24,652</u>
Total net assets	<u>221,311</u>	<u>216,853</u>
Total liabilities and net assets	<u>\$ 221,311</u>	<u>\$ 216,853</u>

JAMAICA OUTREACH PROGRAM, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(See Independent Accountant's Review Report)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES:			
Contributions	\$ 236,331	\$ 7,120	\$ 243,451
In-kind donations - goods and services	158,195	-	158,195
Grants	41,491	-	41,491
Special events, net	3,162	-	3,162
In-kind donation - travel	458	-	458
Interest income	2,183	-	2,183
	441,820	7,120	448,940
Total revenues			
Net assets released from restrictions	28	(28)	-
Total revenues and net assets released from restrictions	441,848	7,092	448,940
EXPENSES:			
Program services	426,886	-	426,886
Administrative and general	7,936	-	7,936
Fundraising	9,660	-	9,660
Total expenses	444,482	-	444,482
INCREASE (DECREASE) IN NET ASSETS	(2,634)	7,092	4,458
NET ASSETS - Beginning of year	192,201	24,652	216,853
NET ASSETS - End of year	\$ 189,567	\$ 31,744	\$ 221,311

JAMAICA OUTREACH PROGRAM, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(See Independent Accountant's Review Report)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES:			
Contributions	\$ 218,330	\$ 4,502	\$ 222,832
In-kind donations - goods and services	424,475	-	424,475
Grants	55,669	-	55,669
Special events, net	115	20,150	20,265
In-kind donation - travel	3,865	-	3,865
Interest income	1,979	-	1,979
	704,433	24,652	729,085
Total revenues			
Net assets released from restrictions	1,899	(1,899)	-
Total revenues and net assets released from restrictions	706,332	22,753	729,085
EXPENSES:			
Program services	661,729	-	661,729
Administrative and general	7,520	-	7,520
Fundraising	6,891	-	6,891
Total expenses	676,140	-	676,140
INCREASE IN NET ASSETS	30,192	22,753	52,945
NET ASSETS - Beginning of year	162,009	1,899	163,908
NET ASSETS - End of year	\$ 192,201	\$ 24,652	\$ 216,853

JAMAICA OUTREACH PROGRAM, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

(See Independent Accountant's Review Report)

	<u>Program Services</u>	<u>General & Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Awards and grants	\$ 247,654	\$ -	\$ -	\$ 247,654
Contract services	2,311	-	-	2,311
In-kind goods	49,827	-	-	49,827
In-kind services	108,368	-	-	108,368
Occupancy	1,076	-	-	1,076
Bank and credit card fees	-	-	111	111
Miscellaneous	-	159	761	920
Licenses and registration fees	-	658	-	658
Postage and shipping	664	133	580	1,377
Printing	172	83	1,107	1,362
Professional fees	-	5,250	-	5,250
Supplies	1,284	169	151	1,604
Travel and meetings	15,530	271	6,950	22,751
Insurance	-	745	-	745
Volunteer background checks	-	468	-	468
Total expenses	<u>\$ 426,886</u>	<u>\$ 7,936</u>	<u>\$ 9,660</u>	<u>\$ 444,482</u>
Percentage of expenses to total expenses	96.0%	1.8%	2.2%	

JAMAICA OUTREACH PROGRAM, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(See Independent Accountant's Review Report)

	<u>Program Services</u>	<u>General & Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Awards and grants	\$ 206,128	\$ -	\$ -	\$ 206,128
Contract services	4,379	-	-	4,379
In-kind goods	303,279	-	-	303,279
In-kind services	121,196	-	-	121,196
Occupancy	1,520	-	-	1,520
Bank and credit card fees	175	-	163	338
Miscellaneous	380	409	210	999
Licenses and registration fees	-	361	-	361
Postage and shipping	381	153	652	1,186
Printing	329	12	1,453	1,794
Professional fees	-	5,000	-	5,000
Supplies	922	83	8	1,013
Travel and meetings	23,040	80	4,405	27,525
Insurance	-	899	-	899
Volunteer background checks	-	523	-	523
Total expenses	<u>\$ 661,729</u>	<u>\$ 7,520</u>	<u>\$ 6,891</u>	<u>\$ 676,140</u>
Percentage of expenses to total expenses	96.8%	1.6%	1.6%	

JAMAICA OUTREACH PROGRAM, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019
(See Independent Accountant's Review Report)

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from contributions	\$ 243,451	\$ 222,832
Cash received from grants	41,491	55,669
Cash received from events	3,877	35,388
Cash paid to suppliers and for donations	(38,890)	(56,641)
Cash paid to supported organizations	(247,654)	(206,128)
Interest received	2,183	1,979
Net cash provided by operating activities	<u>4,458</u>	<u>53,099</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 4,458	 53,099
 CASH AND CASH EQUIVALENTS - Beginning of year	 <u>216,605</u>	 <u>163,506</u>
 CASH AND CASH EQUIVALENTS - End of year	 <u>\$ 221,063</u>	 <u>\$ 216,605</u>
 RECONCILIATION OF INCREASE IN NET ASSETS		
TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Increase in net assets	\$ 4,458	\$ 52,945
Changes in assets:		
Prepaid expenses	<u>-</u>	<u>154</u>
Net cash provided by operating activities	<u>\$ 4,458</u>	<u>\$ 53,099</u>

JAMAICA OUTREACH PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS - SEPTEMBER 30, 2020 AND 2019

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Jamaica Outreach Program, Inc. (the Organization) was incorporated on October 25, 2006, as a Florida not-for-profit corporation. The Organization's mission is to help the poor in Jamaica. The Organization provides love, respect, funds, goods and services for health care, education, and basic support, to improve the lives of the poor in Jamaica without regard to religious affiliation, personal history, gender, age or race.

Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Cash and Cash Equivalents

For purpose 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.

Estimates

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

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization other than a private foundation under Section 509(a)(2). Accordingly, no provision for income taxes has been made in these financial statements.

The Organization's Federal Exempt Organization Business Income Tax Returns (Forms 990) for 2017 through 2020 are subject to examination by the IRS, generally for three years after they were filed.

JAMAICA OUTREACH PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS - SEPTEMBER 30, 2020 AND 2019

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES - continued

Uncertain Tax Position

It is the Organization's policy to evaluate the provisions of ASC 740 for all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by a "more-likely-than-not" threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. No material uncertain tax positions were identified for tax year 2019. Currently, the statute of limitations remains open for tax returns filed subsequent to and including 2017; however, no IRS examinations are in process or anticipated.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases in liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, 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.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Additionally, many volunteers provide their time and perform a variety of tasks that assist the Organization throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met. The Organization receives more than 4,000 volunteer hours per year.

Donated Goods

Noncash donations are recorded as contributions at their estimated fair values at the date of donation. In-kind donations consist of food, clothing, supplies, medicine, medical equipment and household goods.

Functional Allocation of Expenses

The costs of providing program, management and fundraising activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies.

Change in Accounting Principle

Effective October 1, 2018, the Organization retrospectively changed its accounting methods for revenue recognition as a result of implementing the requirements in the Financial Accounting Standard Board's Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers.

The new revenue recognition guidance requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services. The Organization adopted the requirements of the new revenue recognition guidance as of October 1, 2018, utilizing the full retrospective transition method.

JAMAICA OUTREACH PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS - SEPTEMBER 30, 2020 AND 2019

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES - continued

Change in Accounting Principle, continued

The adoption of the new guidance did not result in any changes to the financial statements for the years ended September 30, 2020 or 2019.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

NOTE 2 - LIQUIDITY AND AVAILABILITY

The Organization routinely monitors liquidity to meet its operating needs and other contractual commitments. The Organization considers all expenditures related to its ongoing activities. In addition to financial assets available to meet general expenditures, the Organization operates with a balanced operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

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

	<u>2020</u>
Cash and cash equivalents	\$ 221,063
Donor restricted	<u>(31,744)</u>
	<u>\$ 189,319</u>

NOTE 3 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are held in cash and subject to expenditure for specific purpose:

	<u>2020</u>	<u>2019</u>
Optical services	\$ 26,744	\$ 24,652
Medical equipment	5,000	-
	<u>\$ 31,744</u>	<u>\$ 24,652</u>

NOTE 4 - IN-KIND DONATIONS - GOODS AND SERVICES

In-kind donations - goods and services consist of the following:

<u>Donated goods</u>	<u>2020</u>	<u>2019</u>
Medical	\$ 44,833	\$ 303,174
Books	1,020	-
Other	3,974	105
	<u>49,827</u>	<u>303,279</u>
<u>Donated services</u>		
Medical Services	<u>108,368</u>	<u>121,196</u>
Total in-kind donations - goods and services	<u>\$ 158,195</u>	<u>\$ 424,475</u>

JAMAICA OUTREACH PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS - SEPTEMBER 30, 2020 AND 2019

NOTE 5 - SPECIAL EVENTS, NET

Special events revenues and expenses consist of the following:

	2020		
	Concert	Hosted Party	Total
Revenues	\$ 3,877	\$ -	\$ 3,877
Expenses	(715)	-	(715)
Net total	<u>\$ 3,162</u>	<u>\$ -</u>	<u>\$ 3,162</u>
	2019		
	Concert	Hosted Party	Total
Revenues	\$ -	\$ 35,388	\$ 35,388
Expenses	-	(15,123)	(15,123)
Net total	<u>\$ -</u>	<u>\$ 20,265</u>	<u>\$ 20,265</u>

NOTE 6 - ECONOMIC DEPENDENCY

The operation of the Organization is dependent on the receipt of support and revenue from two major donors. Loss of these funds and/or large decreases in these types of funding would have a material effect on the Organization and a negative impact on overall operations. For the year ended September 30, 2020, approximately 57% of cash contributions was attributable to St. John the Evangelist Church, and approximately 27% of in-kind goods and services were attributable to Alcon Medical Missions Program. For the year ended September 30, 2019, approximately 50% of cash contributions was attributable to St. John the Evangelist Church, and approximately 71% of in-kind goods and services were attributable to Alcon Medical Missions Program.

NOTE 7 - FOREIGN OPERATIONS

Substantially all of the Organization's program services are performed in Jamaica. Foreign operations are subject to additional inherent risks of conducting operations abroad, such as changes in economic, legal, regulatory, social and political conditions, as well as, restrictive actions of foreign or US governmental authorities, customs duties and tariffs, and governmental intervention. As a result of an interruption in international travel due to the ongoing COVID-19 pandemic, the Organization has experienced a decrease in in-kind donations. While the Organization did not incur a decrease in cash contributions in the fiscal year ending September 30, 2020, it does expect that revenue from grants and contributions will be lost in the upcoming fiscal year but lower expenses will be offsetting should foreign operations continue to be interrupted.

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events were evaluated through December 18, 2020, which is the date the financial statements were available to be issued.