

THE IMMOKALEE FOUNDATION, INC.
FINANCIAL STATEMENTS
FIFTEEN MONTHS ENDED JUNE 30, 2015

**THE IMMOKALEE FOUNDATION, INC.
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FIFTEEN MONTHS ENDED JUNE 30, 2015**

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
The Immokalee Foundation, Inc.
Naples, Florida

We have audited the accompanying financial statements of The Immokalee Foundation, Inc. (the Foundation), a nonprofit organization, which comprises the statements of financial position as of June 30, 2015 and March 31, 2014, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the fifteen months the ended June 30, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Board of Trustees
The Immokalee Foundation, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Immokalee Foundation, Inc. as of June 30, 2015, and the changes in its net assets and its cash flows for the fifteen months ended June 30, 2015, in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Naples, Florida
November 18, 2015

THE IMMOKALEE FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2015 AND MARCH 31, 2014

	June 30, 2015	March 31, 2014
ASSETS		
Cash and Cash Equivalents	\$ 746,911	\$ 771,938
Accrued Interest Receivable	-	9,487
Program Receivable	120,116	74,917
Prepaid Expenses and Other Assets	94,939	34,396
Take Stock in Children and Florida Prepaid Scholarships	1,598,831	1,553,092
Unconditional Promises to Give, Net	237,844	446,044
Investments	5,344,973	5,330,611
Property and Equipment, Net	<u>1,489,761</u>	<u>1,554,074</u>
Total Assets	<u>\$ 9,633,375</u>	<u>\$ 9,774,559</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 43,919	\$ 50,179
Scholarships Payable	80,000	89,551
Deferred Revenue	64,500	101,000
Lines of Credit	<u>184,500</u>	<u>452,860</u>
Total Liabilities	372,919	693,590
NET ASSETS		
Unrestricted	6,240,138	5,601,358
Temporarily Restricted	486,490	945,783
Permanently Restricted	<u>2,533,828</u>	<u>2,533,828</u>
Total Net Assets	<u>9,260,456</u>	<u>9,080,969</u>
Total Liabilities and Net Assets	<u>\$ 9,633,375</u>	<u>\$ 9,774,559</u>

See accompanying Notes to Financial Statements.

THE IMMOKALEE FOUNDATION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FIFTEEN MONTHS ENDED JUNE 30, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUES				
Contributions	\$ 337,111	\$ 1,177,981	\$ -	\$ 1,515,092
Grant Revenues	688,555	-	-	688,555
Event Revenues	1,127,600	-	-	1,127,600
Contributed Goods and Services	86,423	-	-	86,423
Gain on Disposal of Equipment	500	-	-	500
Investment Return	195,409	-	-	195,409
Total Support and Revenues	2,435,598	1,177,981	-	3,613,579
Net Assets Released from Restrictions	1,637,274	(1,637,274)	-	-
Total Support, Revenues and Transfers	4,072,872	(459,293)	-	3,613,579
EXPENSES				
Program Services, Grants, and Distributions	1,952,777	-	-	1,952,777
General and Administrative	553,090	-	-	553,090
Fund Raising	439,756	-	-	439,756
Costs of Direct Benefit to Donors	488,469	-	-	488,469
Total Expenses	3,434,092	-	-	3,434,092
CHANGES IN NET ASSETS	638,780	(459,293)	-	179,487
Net Assets - Beginning of Year	5,601,358	945,783	2,533,828	9,080,969
NET ASSETS - END OF YEAR	<u>\$ 6,240,138</u>	<u>\$ 486,490</u>	<u>\$ 2,533,828</u>	<u>\$ 9,260,456</u>

See accompanying Notes to Financial Statements.

THE IMMOKALEE FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FIFTEEN MONTHS ENDED JUNE 30, 2015

	Program Services and Distributions	General and Administrative	Fund Raising	Costs of Direct Benefit to Donors	Total Expenses
Awards/Recognition	\$ 16,520	\$ 2,077	\$ 1,276	\$ 20,865	\$ 40,738
Bank Fees	4,319	1,863	12,949	-	19,131
Benefits	153,625	59,703	58,421	-	271,749
Communication	50,392	20,484	23,064	-	93,940
Contracted Svcs	345,272	-	6,328	-	351,600
Depreciation	78,295	7,934	12,788	-	99,017
Eq Lease/Purchases	7,745	7,582	4,588	-	19,915
Experiences/Field Trips	96,564	-	-	-	96,564
Facility Costs	40,095	15,970	39,407	192,857	288,329
Insurance	10,724	10,503	2,401	-	23,628
Items for Auction	-	-	-	86,461	86,461
Marketing	68,143	-	62,196	-	130,339
Office Exp/Supplies	28,091	16,328	8,295	-	52,714
Professional Fees	65,500	80,793	4,320	188,286	338,899
Recruiting	2,947	38,149	1,194	-	42,290
Salaries	577,515	282,063	188,935	-	1,048,513
Scholarships	211,696	-	-	-	211,696
Staff Cont Educ/Dues	2,302	2,730	5,149	-	10,181
Student Educ/Bks/Testing	62,860	-	-	-	62,860
Transportation/Meals	130,172	6,911	8,445	-	145,528
Total	<u>\$ 1,952,777</u>	<u>\$ 553,090</u>	<u>\$ 439,756</u>	<u>\$ 488,469</u>	<u>\$ 3,434,092</u>

See accompanying Notes to Financial Statements.

THE IMMOKALEE FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
FIFTEEN MONTHS ENDED JUNE 30, 2015

	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 179,487
Adjustments to Reconcile Changes in Net Assets to Net Cash (Used) by Operating Activities:	
Depreciation	99,017
Contributed Securities	(90,084)
Discount on Unconditional Promises to Give	(6,050)
Contributions Restricted for Long-Term Purposes	(67,750)
Realized Gain on Investments	(566,469)
Unrealized Gain on Investments	492,690
Gain on Disposal of Equipment	(500)
(Increase) Decrease in:	
Accrued Interest Receivable	9,487
Program Receivable	(45,199)
Prepaid Expenses and Other Assets	(60,543)
Take Stock in Children and Florida Prepaid Scholarships	(45,739)
Increase (Decrease) in:	
Accounts Payable and Accrued Expenses	(6,260)
Scholarships Payable	(9,551)
Deferred Revenue	(36,500)
Net Cash (Used) by Operating Activities	<u>(153,964)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Property and Equipment	(34,204)
Proceeds from Sale of Investments	6,190,416
Purchases of Investments	<u>(6,040,916)</u>
Net Cash Provided by Investing Activities	115,297
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from Lines of Credit	209,500
Payments on Line of Credit	(477,860)
Collection of Contributions Restricted for Long-term Purposes	<u>282,000</u>
Net Cash Provided by Financing Activities	<u>13,640</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(25,027)
Cash and Cash Equivalents - Beginning of Year	<u>771,938</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 746,911</u></u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Cash Paid for Interest	<u>\$ 6,182</u>
Cash Paid for Income Taxes	<u>\$ -</u>
NONCASH OPERATING AND INVESTING TRANSACTIONS	
Contributions of Securities at Fair Market Value	<u><u>\$ 90,084</u></u>

See accompanying Notes to Financial Statements.

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Immokalee Foundation, Inc. (the Foundation) was incorporated and commenced operations on September 4, 1991, as a Florida nonprofit corporation. The mission of the Foundation is to build pathways to success for the children of Immokalee through programs focused on education, career, and life skills. The Foundation offers students the tools, opportunities, support and encouragement they need to succeed at each level of their education which will lead to career readiness and economic independence. The board of directors elected to change the fiscal year to June 30, effective with the period ended June 30, 2015.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, which recognizes revenues when earned and expenses as incurred.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards. The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The accompanying financial statements have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Unrestricted – Net assets not subject to donor-imposed restrictions. Such assets are available for any purpose consistent with the Foundation's mission.

Temporarily Restricted – Net assets subject to specific, donor-imposed restrictions that must be met by actions of the Foundation and/or passage of time. Such assets normally fund specific expenditures of an operating or capital nature.

Permanently Restricted – Net assets subject to donor imposed restriction requiring they be maintained permanently by the Foundation. Such assets are normally restricted to long-term investment with income earned and appreciation available for specific or general Foundation purposes.

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions and are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. However, contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized.

Liquidity

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

Contributed Services and Goods

Contributed services meeting the requirements for recognition in the financial statements are recorded at the fair market value at the date of contribution. However, individuals that volunteer their time and perform a variety of tasks that assist the Foundation with specific assistance that do not meet the requirements for recognition are not reflected in these statements. For the year ended June 30, 2015, the Foundation recognized \$86,423, in contributed goods and services.

Cash and Cash Equivalents

For purpose of the statement of cash flows, the Foundation considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times, cash in bank may exceed FDIC insurable limits.

Investments and Investment Income

Investments are carried at fair market value determined by quoted prices on the last business day of the year. Donated investments are recorded at fair market value at the date of receipt. Investment income may be either unrestricted or temporarily restricted resources when earned, determined according to donor-imposed restrictions. The Foundation follows a total return concept with regard to investments, as such unrealized appreciation on temporarily restricted net assets is considered to be unrestricted.

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

The Foundation records property and equipment at cost, when purchased, or at fair market value, when donated, on items more than \$500 with a life greater than one year. Property and equipment are depreciated over their estimated useful lives of 3 to 39 years using the straight-line method of depreciation. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charges to expenses as incurred.

Deferred Revenues

Deferred revenues are revenues that the Foundation has received for special events to be held in the subsequent year. The Foundation's policy is to return any amounts received if the event does not occur, and as such, amounts received are deferred revenue.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis on the statement of functional expenses. The costs of special events are included in the category of costs of direct benefits to donors. The remaining costs have been allocated indirectly to either program or supporting services based on management's best estimates.

Income Taxes

The Internal Revenue Service has determined that the Foundation is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). In addition, the Foundation has been determined by the Internal Revenue Service to be other than a private foundation within the meaning of Section 509(a) of the Code. Accordingly, no provision for income taxes has been made in these financial statements.

The Foundation's income tax returns are subject to review and examination by federal and state authorities. The Foundation is not aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

The Foundation follows the provisions of accounting for uncertainty in income taxes recognized in their financial statements. This prescribes recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The Foundation has determined that it has no uncertain tax positions.

Unconditional Promises to Give, Net

Unconditional promises to give due in the next year are recorded at their net realizable value. Those due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received. Additionally, the Foundation uses the allowance method to determine uncollectible promises to give. The allowance is based upon prior years' experience and management's analysis of specific promises made.

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Take Stock in Children and Florida Prepaid Scholarships

The Foundation purchases scholarships from the Florida Prepaid College Foundation (FPCF) as financial resources and student needs allow utilizing a 50/50 match of state appropriations and TIF funds. Prices of the scholarships are established by the Florida Prepaid College Board annually and are based on actuarial assumptions pursuant to Florida state statutes.

Scholarships are tracked by certificate number and are held in inventory on the balance sheet until utilized. Qualified students are matched to a scholarship and the Foundation monitors their progress and usage of the scholarship as they progress through their studies. Unassigned scholarships remain in open inventory. The Foundation estimates a monthly expense of scholarship utilization which is adjusted to actual usage at the end of each fiscal year.

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.

Fair Value Measurement

The Foundation measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Foundation may use valuation techniques consistent with the market, income and cost approaches to measure fair value.

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Financial assets and liabilities recorded on the statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

Level 2 – Financial assets and liabilities are valued using inputs quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data. Level 2 includes private collateralized mortgage obligations, municipal bonds, and corporate debt securities.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes private equity, venture capital, hedge funds and real estate.

The Foundation has the option to elect to measure financial instruments at fair value for the initial and subsequent measurement for certain financial assets and liabilities on an instrument-by-instrument basis. The Foundation has not elected to measure any existing financial instruments at fair value at June 30, 2015; however, the Foundation may elect to measure newly acquired financial instruments at fair value in the future.

Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through November 18, 2015, the date the financial statements were available to be issued.

NOTE 2 INVESTMENTS

The Foundation's investments are managed by outside investment advisors. Investments for the Foundation as of June 30, 2015 and March 31, 2014, and related investment return for the fifteen months ended consisted of the following:

	2015		2014	
	Fair Market Value	Cost	Fair Market Value	Cost
Equity Securities	\$ 3,299,016	\$ 3,080,897	\$ 3,819,282	\$ 3,118,800
Fixed Income	943,744	954,834	1,286,234	1,301,710
Alternative Investments	842,798	835,818	225,095	215,943
Real Estate	207,156	223,664	-	-
Commodities	52,259	48,292	-	-
Total	<u>\$ 5,344,973</u>	<u>\$ 5,143,505</u>	<u>\$ 5,330,611</u>	<u>\$ 4,636,453</u>

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 INVESTMENTS (CONTINUED)

For the fifteen months ended June 30, 2015, the Foundation's total investment return is as follows:

Interest and Dividend Income	\$ 165,516
Net Realized Gains	566,469
Change in Unrealized Gain	(492,690)
Management Fees	(43,886)
Total Investment Return	<u>\$ 195,409</u>

NOTE 3 FAIR VALUE MEASUREMENTS

The Foundation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Foundation values all other assets and liabilities refer to Note 1 – Summary of Significant Accounting Policies.

The following table presents the fair value hierarchy for the balances of the assets of the Foundation measured at fair value on a recurring basis as of June 30, 2015:

	2015	Level 1	Level 2	Level 3	Total
Investments:					
Equity Securities		\$ 3,299,016	\$ -	\$ -	\$ 3,299,016
Fixed Income		943,744	-	-	943,744
Alternative Investments		-	-	842,798	842,798
Real Estate		207,156	-	-	207,156
Commodities		52,259	-	-	52,259
Total		<u>\$ 4,502,175</u>	<u>\$ -</u>	<u>\$ 842,798</u>	<u>\$ 5,344,973</u>

The following table presents the fair value hierarchy for the balances of the assets of the Foundation measured at fair value on a recurring basis as of March 31, 2014:

	2014	Level 1	Level 2	Level 3	Total
Investments:					
Equity Securities		\$ 3,819,282	\$ -	\$ -	\$ 3,819,282
Fixed Income		1,286,234	-	-	1,286,234
Alternative Investments		-	-	225,095	225,095
Total		<u>\$ 5,105,516</u>	<u>\$ -</u>	<u>\$ 225,095</u>	<u>\$ 5,330,611</u>

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

The following represents a fair value roll forward of all assets and liabilities measured at Level 3, refer to Note 1 – Summary of Significant Accounting Policies:

Level 3 Alternative Investments	
Balance at March 31, 2013	\$ 215,697
Purchases of Investments	123,350
Proceeds from Sale of Investments	(117,686)
Unrealized Gain on Investments	3,734
Balance at March 31, 2014	<u>225,095</u>
Purchases of Investments	835,818
Proceeds from Sale of Investments	(225,095)
Unrealized Gain on Investments	6,980
Balance at June 30, 2015	<u><u>\$ 842,798</u></u>

Alternative Investments categorized at Level 3 are measured at fair value with a valuation technique utilizing market prices at the close of the last business day for the statement period, provided by investment advisors.

NOTE 4 PROPERTY AND EQUIPMENT, NET

Property and equipment at June 30, 2015 consists of the following:

	2015	2014
Building and Land	\$ 1,573,111	\$ 1,573,111
Office and Computer Equipment	100,783	86,568
Office Furniture	<u>117,318</u>	<u>96,829</u>
	1,791,212	1,756,508
Less: Accumulated Depreciation	<u>(301,451)</u>	<u>(202,434)</u>
Total	<u><u>\$ 1,489,761</u></u>	<u><u>\$ 1,554,074</u></u>

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 UNCONDITIONAL PROMISES TO GIVE, NET

The Foundation routinely receives promises to give for funding of various activities of the Foundation. These promises to give are restricted for the payment of expenses for the projects restricted by each of the donors. As of June 30, 2015, unconditional promises to give are as follows:

	2015	2014
Unconditional Promises to Give	247,750	\$ 462,000
Less: Discount to Net Present Value	(9,906)	(15,956)
Total	<u>\$ 237,844</u>	<u>\$ 446,044</u>

Payments of the promise to give are expected to be as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2015	\$ 127,750
2016	60,000
2017	50,000
2018	10,000
Total	<u>\$ 247,750</u>

NOTE 6 SCHOLARSHIPS

During the fifteen months ended June 30, 2015, the Foundation incurred expenses of \$211,696, for its scholarship programs which are reflected in the accompanying statement of functional expenses.

NOTE 7 LINES OF CREDIT

The Foundation had one line of credit with a financial institution as of June 30, 2015 and March 31, 2014. The amount available under the line of credit was \$300,000 and \$1,547,140 as of June 30, 2015 and March 31, 2014, respectively. The line of credit expires February 12, 2016. The interest rate for the line of credit was LIBOR plus 1.25%, which was 1.44% as of June 30, 2015, and interest is due monthly. The interest rate for the line of credit was 1.39% as of March 31, 2014. As of June 30, 2015, the balance was \$184,500 which is payable on maturity. As of March 31, 2014, the balance was \$452,860, which was due on demand. The outstanding balance is secured by all cash and investments held by the Foundation.

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at June 30, 2015:

	2015	2014
Scholarship Bequest	\$ 125,144	\$ 242,024
Take Stock in Children and Florida Prepaid Scholarships	34,250	-
Restricted Donations	56,267	3,304
Unconditional Promises to Give, Net	170,094	446,044
Fund-A-Dream	100,735	254,411
Total	<u>\$ 486,490</u>	<u>\$ 945,783</u>

NOTE 9 ENDOWMENT

The Foundation has a donor restricted endowment fund established for the purposes of providing income to support general operations. As required by accounting principles generally accepted in the United States of America, net assets of the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions. The Board of Directors of the Foundation has interpreted relevant state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as unrestricted net assets. The Foundation considers all earning on endowment funds to be appropriated and available for current year operations.

THE IMMOKALEE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 ENDOWMENT (CONTINUED)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, as of June 30, 2015, there were no such deficiencies.

Spending Policy

The spending policy of endowment assets is determined based on the overall needs of the Foundation balanced with the long-term investment return objectives for a fund to be held in perpetuity.

Changes in endowment net assets as of June 30, 2015 and March 31, 2014, are as follows:

	Unrestricted	Permanently Restricted	Total
Endowment Net Assets as of March 31, 2013	\$ -	\$ 2,533,828	\$ 2,533,828
Investment Return:			
Investment Income	96,419	-	96,419
Investment Expense	(23,919)	-	(23,919)
Net Appreciation:			
Realized and Unrealized	143,267	-	143,267
Total Investment Return	215,766	-	215,766
Appropriations	(215,766)	-	(215,766)
Endowment Net Assets as of March 31, 2014	-	2,533,828	2,533,828
Investment Return:			
Investment Income	81,538	-	81,538
Investment Expense	(21,619)	-	(21,619)
Net Appreciation:			
Realized and Unrealized	36,346	-	36,346
Total Investment Return	96,264	-	96,264
Appropriations	(96,264)	-	(96,264)
Endowment Net Assets as of June 30, 2015	\$ -	\$ 2,533,828	\$ 2,533,828

As of June 30, 2015, there were no board designated endowments.

THE IMMOKALEE FOUNDATION, INC.
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NOTE 9 ENDOWMENT (CONTINUED)

Investment Policies

The Foundation has established an investment policy to determine investment or reinvestment of the assets in accordance with such guidelines, policies and procedures that are authorized by the board of directors. These guidelines, policies and procedures shall attempt to generate a long-term investment return that will contribute to meeting the spending needs of the Foundation while maintaining the purchasing power of the investment assets. The Foundation's spending and investment policies works together to achieve this objective. The investment policy establishes a long-term investment objective through diversification of asset classes. To achieve its investment objectives over long periods of time, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The investment strategy targets a diversified asset allocation that includes domestic equities, non-US equities, fixed income and alternative investments. The majority of assets are invested in equity or equity like securities. Diversification by asset class, investment style, investment manager, etc. is employed to avoid undue risk concentration and enhance total return.

The primary performance objective is to achieve an annualized total rate of return, net of investment fees, that is equal to or greater than 4% plus inflation over long periods of time. Actual returns in any given year may vary from this amount.

NOTE 10 COMMITMENTS

The Foundation entered into a lease agreement for office space in Naples during the year ended June 30, 2014. The lease expires in December 2016, and includes monthly payments of \$1,250.

The Foundation entered into two separate lease agreements for two copiers. The leases expire in June 2017 and July 2018, and include monthly payments of \$286 and \$277, respectively.

The future minimum lease payments under these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 22,056
2017	14,556
2018	3,424
Total	<u>\$ 40,036</u>

Rental expense for the years ended June 30, 2015, was \$27,027.