EPIC-CURE, INC.

FINANCIAL STATEMENTS

Year Ended December 31, 2023

EPIC-CURE, INC.

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Epic-Cure, Inc.
Jacksonville Beach, Florida

Opinion

We have audited the accompanying financial statements of Epic-Cure, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, 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 referred to above present fairly, in all material respects, the financial position of Epic-Cure, Inc. as of December 31, 2023, 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 Epic-Cure, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Epic-Cure, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, 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 Epic-Cure, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Epic-Cure, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

The Forde Firm, LLC
Jacksonville, Florida
April 10, 2024

EPIC-CURE, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2023

ASSETS

Current assets:	
Cash and cash equivalents	$ 35,800
Accounts receivable	250
Prepaid expenses	3,335
Total current assets	39,385
Security deposits	6,205
Fixed assets, less accumulated depreciation	241,064
TOTAL ASSETS	$ 286,654

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable and accrued expenses	$ 1
Total current liabilities	1
Net assets:	
Without donor restrictions	
Undesignated	286,653
	286,653
With donor restrictions	
Purpose restrictions	-
	-
Total net assets	286,653
TOTAL LIABILITIES AND NET ASSETS	$ 286,654

See Accompanying Notes to Financial Statements.

EPIC-CURE, INC.
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2023

PUBLIC SUPPORT AND REVENUE:	Without Donor Restrictions	With Donor Restrictions Temporary	Total
Public support:			
Government grants	$ -	$ -	$ -
Foundation and public grants	101	-	101
Contributions	283,197	-	283,197
Contributions in-kind	13,389,545	-	13,389,545
Total public support	13,672,843	-	13,672,843
Revenue:			
Fundraising income, net of expenses of $70,699 for the year ended December 31, 2023	46,965	-	46,965
Miscellaneous	5,216	-	5,216
Total revenue	52,181	-	52,181
Total public support and revenue	13,725,024	-	13,725,024
Net assets released from restrictions:			
Restrictions satisfied by payments	-	-	-
Total public support and revenue and net assets released from restrictions	13,725,024	-	13,725,024
EXPENSES:			
Program services	13,745,102	-	13,745,102
Supporting services:			
Management and general	31,589	-	31,589
Fundraising	-	-	-
Total supporting services	31,589	-	31,589
Total expenses	13,776,691	-	13,776,691
INCREASE (DECREASE) IN NET ASSETS	(51,667)	-	(51,667)
Net assets, beginning of year	338,320	-	338,320
Net assets, end of year	$ 286,653	$ -	$ 286,653

See Accompanying Notes to Financial Statements.

EPIC-CURE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2023

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Total
Insurance	$ 17,846	$ -	$ -	$ 17,846
Legal and professional	7,018	-	-	7,018
Food, in-kind	13,389,430	-	-	13,389,430
Maintenance and repairs	21,558	-	-	21,558
Rent	118,005	-	-	118,005
Program expenses	120,894	-	-	120,894
Utilities	34,613	-	-	34,613
Office expense	-	17,018	-	17,018
Miscellaneous expenses	-	14,571	-	14,571
Total before depreciation	13,709,364	31,589	-	13,740,953
Depreciation	35,738	-	-	35,738
Total expenses	$ 13,745,102	$ 31,589	$ -	$ 13,776,691

See Accompanying Notes to Financial Statements.

EPIC-CURE, INC.
STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	$ (51,667)
Adjustments to reconcile change in net assets to net cash provided in operating activities:	
Depreciation	35,738
(Increase) decrease in assets:	
Prepaid expenses	-
Accounts receivable	(250)
Security deposits	-
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	1
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(16,178)
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in capital assets	(16,562)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(16,562)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(32,740)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	68,540
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 35,800
SUPPLEMENTARY INFORMATION:	
Cash paid for interest	$ -
Cash paid for taxes	$ -

See Accompanying Notes to Financial Statements.

EPIC-CURE, INC.

NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

1. NATURE OF ORGANIZATION:

Epic-Cure, Inc. was incorporated in 2018. At Epic-Cure, we believe in taking urgent, immediate, and continuous actions to make a measurable difference in elimination food waste and helping provide food to the people in need. The Organization serves the St. Johns County and Putnam County areas. The major source of revenue for Epic-Cure, Inc. is generous donations from individuals, businesses, churches, and foundations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

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

Financial Statement Presentation:

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification 958.

Use of Estimates:

Preparation of the Organization's financial statements in conformity with generally accepted accounting principles requires the use of management's estimates, primarily related to the collectability of receivables and depreciable lives of fixed assets. The nature of those estimates, however, is such that variances in actual results are generally immaterial.

Cash and Cash Equivalents:

Cash and cash equivalents include checking accounts and money market funds. For purposes of the Statement of Cash Flows, the Organization considers cash and all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Changes in Accounting Treatment:

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842: ASU 2018-10 Codification Improvements to Topic 842, Leases, ASU 2018-11, Leases (Topic 842): Targeted Improvements; ASU 2018-20, Narrow-scope Improvements for Lessors; and ASU 2019-01 Leases (Topic 842): Codification Improvements. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the statement of financial position.

Fixed Assets and Depreciation:

Fixed assets are recorded at cost and are depreciated using the straight-line method over the estimated useful lives (ranging from 5 to 40 years) of the assets. Donated assets are recorded at fair market value at the date of the gift. Fixed asset additions of $3,000 and greater are capitalized. Fixed assets consist of the following:

	2023
Leasehold Improvements	$ 73,638
Trademark	3,450
Furniture and equipment	272,247
	349,335
Less accumulated depreciation	(108,271)
	$ 241,064

Revenue and Support:

Contributions are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the 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.

Expense Allocation:

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. Certain costs benefit multiple programs and support services and have been allocated accordingly.

Fair Values of Financial Instruments:

Generally accepted accounting principles require certain financial instruments to be recorded at fair value. Changes in methods of estimation could affect the fair value estimates; however, such changes are not expected to have a material impact on the organization's financial position, activities or cash flows. Cost approximates fair value for certain other investments, short-term debt, and cash equivalents.

Income Taxes:

Epic-Cure is exempt from federal taxation under Internal Revenue Code Section 501(c)(3). Epic-Cure is not a private foundation. Management evaluated the Organization's tax positions and concluded that the Organization had maintained its exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally for 3 years after they were filed.

3. FDIC DEPOSITORY INSURANCE:

The Organization maintains accounts at one FDIC insured bank. Deposits do not exceed the FDIC depository insurance limit as of December 31, 2023.

4. CONTRIBUTIONS IN KIND:

Epic-Cure, Inc. received in-kind donations of food from various sources throughout the year. In-kind contributions of food are recorded at the cost provided by the supplier and tracked by delivery. Total food contributions for the year ended December 31, 2023 were valued at $13,389,545.

In-kind donations are measured at their fair value. The Financial Accounting Standards Board (FASB) in its Accounting Standards Codification 820 provides a single definition of fair value and established a three-tier hierarchy which is described below:

Level 1 – In-kind donations for which there are readily available prices in active markets for identical items and services.

Level 2 – In-kind donations for which there is publicly available information about similar items in inactive markets.

Level 3 – In-kind donations for which little publicly available information is available, and unobservable inputs may be used to measure fair value.

The in-kind contributed food is considered to be Level 3.

Additionally, hundreds of other individuals volunteered their time during 2023 to provide meals and program services to clients. Epic-Cure operates with no payroll costs at present and depends upon these volunteers to ensure the hungry have access to food. These items are not recorded on the financial statements because there is no practical method for valuing these items.

5. LIQUIDITY AND AVAILABILITY:

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the statement of financial position date, consist of the following:

	2023
Cash and Cash Equivalents	$ 35,800
Accounts receivable	250
Total Financial Assets	36,050
Less Cash and Cash Equivalents with Donor Restrictions	-0-
Total Financial Assets Available for General Use	$ 36,050

6. LEASES:

As disclosed in Note A, the organization adopted FASB ASC 842. The leases are only required to be included on our statement of financial position under FASB ASC 842. As a result, adopting FASB ASC 842 had no impact on the prior year statement of financial position information, and because these leases are operating leases, the adopting of this standard has no impact on our results of operations.

The organization leases warehouse space in St. Augustine, Florida and in Palatka, Florida. Both leases began in prior years and are in a month-to-month status. There are no lease liabilities or lease assets to report as a result of this month-to-month status. Rent expense was $68,750 for St. Augustine and $49,255 for Palatka for the year ended December 31, 2023.

7. SUBSEQUENT EVENTS:

In preparing these financial statements, the Organization evaluated events and transactions for potential recognition or disclosure through April 10, 2024, the date the financial statements were available to be issued.