

FLORIDA VETERANS FOUNDATION, INC.

TALLAHASSEE, FLORIDA



**FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

FLORIDA VETERANS FOUNDATION, INC.

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LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Florida Veterans Foundation, Inc.
Leon County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of Florida Veterans Foundation, Inc. (the "Foundation") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Foundation, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. 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 Foundation 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

The Foundation's 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 the Foundation's ability to continue as a going concern for twelve months beyond the financial statement issuance date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 and GAS 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 and GAS, 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 Foundation'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 the Foundation'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2025, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

Lanigan & Associates, P.C.

Tallahassee, Florida
September 10, 2025

FLORIDA VETERANS FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

Our discussion and analysis of Florida Veterans Foundation, Inc. (the "Foundation") provides a narrative overview of the Foundation's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the Foundation's Independent Auditor's Report, basic financial statements, accompanying notes, and supplementary information to the basic financial statements.

Financial Highlights

- The assets of the Foundation exceeded its liabilities at the close of the most recent fiscal year resulting in a positive net position balance of \$2,149,274.
- The Foundation's total net position increased by \$1,032,061. The key components of the Foundation's net position and change in net position are reflected in the table in the government-wide financial analysis.
- At June 30, 2025, the Foundation's governmental fund reported an ending fund balance of \$2,149,274, an increase of \$1,032,061 in comparison with the prior fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as the introduction to the Foundation's basic financial statements. The Foundation's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Foundation's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the Foundation's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Foundation is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by operating grants and contributions. The Foundation does not have any business-type activities. The governmental activities of the Foundation include the general government (management) function.

FLORIDA VETERANS FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Foundation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Foundation maintains only one category of funds called governmental funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Foundation's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Foundation's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Foundation adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the Foundation, assets exceeded liabilities at the close of the most recent fiscal year.

FLORIDA VETERANS FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

Government-Wide Financial Analysis (Continued)

Key components of the Foundation's net position are reflected in the following table:

Net Position
June 30,

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 1,815,962	\$ 696,053
Certificate of deposit	-	400,000
Investments	294,609	-
Accounts receivable	105,251	51,504
Accounts payable and accrued expenses	(66,548)	(30,344)
Net Position	<u>\$ 2,149,274</u>	<u>\$ 1,117,213</u>

The increase in total assets is related to cash and investments in the current year. The increase in total liabilities is related to expenses incurred for veteran's medical care in the current year. The increase in net position represents the extent to which program revenues exceeded ongoing program expenses.

Of the Foundation's \$2,149,274 net position, a portion, \$25,000, represents resources that are dedicated or subject to restrictions on how they may be used. The remaining \$2,124,274 unrestricted net position includes funds that may be used to meet the Foundation's ongoing obligations.

Key elements of the change in net position are reflected in the following table:

Changes in Net Position
June 30,

	<u>2025</u>	<u>2024</u>
Program revenues:		
Operating grants and contributions	\$ 1,661,901	\$ 1,559,404
General revenues:		
Investment and other income	46,086	9,401
Total revenues	1,707,987	1,568,805
Expenses:		
Direct support	675,926	1,089,789
Change in net position	1,032,061	479,016
Net position, beginning of year	1,117,213	638,197
Net position, end of year	<u>\$ 2,149,274</u>	<u>\$ 1,117,213</u>

FLORIDA VETERANS FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended June 30, 2025 was \$675,926. The Foundation received operating grants and contributions in the amount of \$1,661,901 during the fiscal year ended June 30, 2025.

General Budgetary Highlights

The Foundation continues to apply for grants on a year-round basis. Several grants are expected to be finalized, along with appropriation funds approved by the Florida Legislature for the 25-26 Fiscal Year. The Foundation fundraising programs include Ambassadors, who sign up across the state to help our Veterans, individual and corporate giving, community fundraising projects, and social media fundraising opportunities. The License Plate sales vouchers continue to get sold and will generate a continuous cash flow to help our Veterans in need.

All of these factors were considered in preparing the Florida Veterans Foundation, Inc.'s budget for the 2026 fiscal year.

Request for Information

This financial report is designed to provide a general overview of the Foundation's finances for all those with an interest in the Foundation's finances. If you have questions about this report or need additional financial information, contact:

Florida Veterans Foundation, Inc.
2601 S. Blairstone Rd C300
Tallahassee Florida, 32399

BASIC FINANCIAL STATEMENTS

FLORIDA VETERANS FOUNDATION, INC.
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,815,962
Investments	294,609
Accounts receivable	105,251
Total assets	<u>\$ 2,215,822</u>
LIABILITIES	
Accounts payable and accrued expenses	\$ 66,548
Total liabilities	<u>\$ 66,548</u>
NET POSITION	
Restricted	\$ 25,000
Unrestricted	2,124,274
Total net position	<u>\$ 2,149,274</u>

FLORIDA VETERANS FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Primary government:			
Governmental activities:			
Direct support	\$ 675,926	\$ 1,661,901	\$ 985,975
Total governmental activities	<u>\$ 675,926</u>	<u>\$ 1,661,901</u>	<u>985,975</u>
		General revenues:	
		Investment income	<u>46,086</u>
		Total general revenues	<u>46,086</u>
		Change in net position	1,032,061
		Net position, beginning of year	<u>1,117,213</u>
		Net position, end of year	<u>\$ 2,149,274</u>

FLORIDA VETERANS FOUNDATION, INC.
BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2025

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 1,815,962
Investments	294,609
Accounts receivable	<u>105,251</u>
Total assets	<u><u>\$ 2,215,822</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable and accrued expenses	<u>\$ 66,548</u>
Total liabilities	<u>66,548</u>
Fund balance	
Restricted	25,000
Unassigned	<u>2,124,274</u>
Total fund balance	<u>2,149,274</u>
Total liabilities and fund balance	<u><u>\$ 2,215,822</u></u>

There are no reconciling items between the Governmental Fund Balance Sheet and the Statement of Net Position, therefore, no reconciliation is presented.

FLORIDA VETERANS FOUNDATION, INC.
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	<u>General Fund</u>
REVENUES	
Grants	\$ 1,323,053
Charitable donations	338,848
Investment income	46,086
Total revenues	<u>1,707,987</u>
EXPENDITURES	
Benefits to veterans	330,605
Administrative support	90,713
Professional services	231,983
Events	8,402
Travel and meetings	14,223
Total expenditures	<u>675,926</u>
Change in fund balances	1,032,061
Fund balance, beginning of year	<u>1,117,213</u>
Fund balance, end of year	<u><u>\$ 2,149,274</u></u>

There are no reconciling items between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Statement of Activities, therefore, no reconciliation is presented.

FLORIDA VETERANS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

The Florida Veterans Foundation, Inc. (the “Foundation”) is a nonprofit organization under Internal Revenue Code Section 501(c)(3) and is established as a direct or indirect benefit of the Statewide Florida Department of Veterans’ Affairs (the “Department”). The purpose of the Foundation is to support the programs, personnel, and services of the Department. The Foundation is supported primarily through donor contributions and uses contributions for direct assistance to veterans.

The financial statements were prepared in accordance with Governmental Accounting Standards Board (“GASB”) Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the Foundation is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the Foundation are such that, if excluded, the financial statements of the Foundation would be considered incomplete or misleading. There are no entities considered to be component units of the Foundation; therefore, the financial statements include only the operations of the Foundation.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Foundation conform to accounting principles generally accepted in the United States of America as applied to not-for-profit organizations reporting using the governmental model.

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. *Program revenues* include grants, contributions, and events that are restricted to meeting operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as general revenues.

FLORIDA VETERANS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this method, revenues are recognized in the accounting period in which they become both measurable and available. Revenues are measurable when they are subject to reasonable estimation. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when a liability is incurred, as under accrual accounting.

Basis of presentation – government-wide financial statements—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds even though the latter are excluded from the government-wide financial statements.

Basis of presentation – fund financial statements—The fund financial statements provide information about the government's funds. There is only one fund category, governmental, for which a fund financial statement is presented. The emphasis of fund financial statements is on the major governmental fund. There is only one major individual governmental fund reported in the fund financial statements.

The Foundation reports the following major governmental fund:

General Fund – The general fund is established to account for resources devoted to directly supporting the State of Florida, Florida Veterans Foundation, Inc. All operating resources are recorded in the general fund.

When both restricted and unrestricted resources are available for use, it is the Foundation's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

FLORIDA VETERANS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Fund Balance

Cash and cash equivalents – Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of 90 days or less.

Accounts receivable - Accounts receivable are recorded in the government-wide and governmental fund statement. There is no allowance for doubtful accounts recorded as all funds are expected to be collected.

Net position flow assumption – Sometimes the Foundation will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Foundation’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions – Sometimes the Foundation will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Foundation’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policy – Fund balance of the governmental fund is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Foundation’s highest level of decision-making authority. The Foundation’s Board is the highest level of decision-making authority for the Foundation that can, by a formal vote, prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the decision remains in place until a similar action is taken (the adoption of another decision) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Foundation for specific purposes but do not meet the criteria to be classified as committed. The Board may assign fund balance as it does when appropriating the fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally

FLORIDA VETERANS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenditures

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as restricted support that increases these net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as unrestricted.

Contributed materials, facilities, and services are recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the entity has adopted a policy of not implying a time restriction on contributions of such assets that expires. Therefore, all contributions of property and equipment, and of the assets contributed to acquire property and equipment, are recorded as unrestricted support or contributions.

Income Taxes

The Foundation is generally exempt from income taxes under section 501(c)(3) of the Internal Revenue Code, and therefore, no provision for income taxes has been made in the accompanying financial statements.

The Foundation files income tax returns in the U.S. Federal jurisdiction. The Foundation's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The Foundation has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Foundation.

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 certain 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 expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general funds. The appropriated budget is prepared by fund.

FLORIDA VETERANS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of the counterparty, the Foundation's deposits may not be returned. As of June 30, 2025, the carrying amount of the Foundation's deposits was \$1,815,962 and the bank balance was \$1,830,715. The Foundation does not have a formal policy to mitigate this risk.

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

Investments

As of June 30, 2025, the Foundation maintained investments of equities totaling \$294,609.

Credit Risk – Investments

Credit risk exists when there is a reasonable possibility that the issuer or other counterparty to an investment may be unable to fulfill its obligation. The Foundation does not have a formal investment policy with respect to credit risk.

Concentration of Credit Risk - Investments

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investments in a single issuer. The Foundation does not have a formal investment policy with respect to concentration of credit risk. As of June 30, 2025, the Foundation held a single security in the amount of \$294,609.

Custodial Credit Risk – Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Foundation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Foundation does not have a formal policy to mitigate this risk.

NOTE 4 – FAIR VALUE MEASUREMENTS

The Foundation prepares its financial statements according to the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements. Fair value is defined as 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.

In determining the fair value, the Foundation uses various methods including market, income, and cost approaches. Based on these approaches, the Foundation often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated or generally unobservable inputs. The Foundation uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

FLORIDA VETERANS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 4 – FAIR VALUE MEASUREMENTS (CONTINUED)

Based on observability of the inputs used in the valuation techniques, the Foundation is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values.

The Foundation categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and are disclosed in one of the following three categories:

- Level 1 inputs are quoted prices in active markets for identical assets.
- Level 2 inputs are observable, either directly or indirectly, such as quoted prices for similar assets, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the asset. The Foundation has no investments valued using level 2 inputs.
- Level 3 inputs are significant unobservable inputs. The Foundation has no investments valued using level 3 inputs.

All transfers between fair value hierarchy levels are recognized by the Foundation at the end of each reporting period. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement in its entirety, requires judgment, and considers factors specific to the investment. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risks associated with investment in those instruments.

The Foundation's investments carried at fair value as of June 30 are summarized as follows:

Investment Type	2025			
	Level 1	Level 2	Level 3	Total
Equities	\$ 294,609	\$ -	\$ -	\$ 294,609

The fair value of cash and cash equivalents approximates carrying value, principally because of the short maturity of this item. While the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value as of the reporting date.

FLORIDA VETERANS FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 – RISK MANAGEMENT

The Foundation is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Foundation carries commercial insurance. Insurance against losses is provided for the following types of risk:

- Personal Property

There have not been any settlements in excess of insurance coverage.

NOTE 6 – SUBSEQUENT EVENTS

The Foundation has evaluated events and transactions for potential recognition or disclosure in the financial statements through September 10, 2025, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

REQUIRED SUPPLEMENTARY INFORMATION

FLORIDA VETERANS FOUNDATION, INC.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		General	Variance with
	Original	Final	Fund	Final Budget - Positive (Negative)
REVENUES				
Grants	\$ 1,500,000	\$ 1,500,000	\$ 1,323,053	\$ (176,947)
Charitable donations	46,200	46,200	338,848	292,648
Investment income	40,000	40,000	46,086	6,086
Total revenues	<u>1,586,200</u>	<u>1,586,200</u>	<u>1,707,987</u>	<u>121,787</u>
EXPENDITURES				
Benefits to veterans	1,175,000	1,175,000	330,605	844,395
Administrative support	93,750	93,750	90,713	3,037
Professional services	228,800	228,800	231,983	(3,183)
Events	8,000	8,000	8,402	(402)
Travel and meetings	20,000	20,000	14,223	5,777
Total expenditures	<u>1,525,550</u>	<u>1,525,550</u>	<u>675,926</u>	<u>849,624</u>
Change in fund balance	60,650	60,650	1,032,061	971,411
Fund balance, beginning of year	<u>1,117,213</u>	<u>1,117,213</u>	<u>1,117,213</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,177,863</u>	<u>\$ 1,177,863</u>	<u>\$ 2,149,274</u>	<u>\$ 971,411</u>

*See accompanying notes to
required supplementary information.*

FLORIDA VETERANS FOUNDATION, INC.
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Revenue, Expenditures, and Change in Fund Balance – Budget to Actual – General Fund is presented using Florida Veterans Foundation, Inc.’s budget format for all governmental funds.

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget presented is for fiscal year ended June 30, 2025, according to Board procedures.

Budgets are presented on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

**REPORTS REQUIRED UNDER
*GOVERNMENT AUDITING STANDARDS***

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Florida Veterans Foundation, Inc.
Tallahassee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and the major fund of the Florida Veterans Foundation, Inc. (the “Foundation”), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Foundation’s basic financial statements, and have issued our report thereon dated September 10, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lanigan & Associates, P.C.

Tallahassee, Florida

September 10, 2025

**FLORIDA VETERANS FOUNDATION, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025**

SCHEDULE OF PRIOR AUDIT FINANCIAL STATEMENT FINDINGS

2024-001: Disbursement Process

Status: Corrective action has been taken.