

GOLD COAST VETERANS FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

## TABLE OF CONTENTS

	<u>Page</u>
Report of Independent Auditors	1-2
Financial Statements:	
Statements of Financial Position	3
Statement of Activities for the Year Ended December 31, 2023	4
Statement of Activities for the Year Ended December 31, 2022	5
Statement of Functional Expenses for the Year Ended December 31, 2023	6
Statement of Functional Expenses for the Year Ended December 31, 2022	7
Statements of Cash Flows	8
Notes to Financial Statements	9-16

## Report of Independent Auditors

To the Board of Directors of  
Gold Coast Veterans Foundation

### **Opinion**

We have audited the accompanying financial statements of Gold Coast Veterans Foundation (the "Organization"), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years 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 Gold Coast Veterans Foundation as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits 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 the Organization 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 the Organization'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 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 the Organization'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 Organization'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.



*Sara & Company*  
*Certified Public Accountants*  
Thousand Oaks, California  
January 10, 2025

GOLD COAST VETERANS FOUNDATION  
 STATEMENTS OF FINANCIAL POSITION  
 DECEMBER 31, 2023 AND 2022

	<u>ASSETS</u>	
	<u>2023</u>	<u>2022</u>
Current Assets:		
Cash and Cash Equivalents	\$ 425,415	\$ 287,787
ERC Receivable	95,000	-
Prepays and Other Current Assets	<u>22,563</u>	<u>4,072</u>
Total Current Assets	542,978	291,859
Property and Equipment, Net	43,400	22,850
Intangible assets	500,000	-
Investments	<u>1,292,491</u>	<u>1,190,871</u>
Total Assets	<u>\$ 2,378,869</u>	<u>\$ 1,505,580</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable and Other Liabilities	\$ <u>65,630</u>	\$ <u>48,488</u>
Total Current Liabilities	65,630	48,488
SBA Loan	<u>499,900</u>	<u>499,900</u>
Total Liabilities	565,530	548,388
Net Assets		
Without Donor Restrictions	1,813,339	957,192
With Donor Restrictions	<u>-</u>	<u>-</u>
Total Liabilities and Net Assets	<u>\$ 2,378,869</u>	<u>\$ 1,505,580</u>

See accompanying notes.

GOLD COAST VETERANS FOUNDATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenues</b>			
Grants and Contributions	\$ 1,494,434	\$ 2,500	\$ 1,496,934
Contributed Nonfinancial Assets	170,682	-	170,682
Fundraising Income	120,700	-	120,700
Interest Income	47	-	47
Released from Restriction	<u>-</u>	<u>&lt;2,500&gt;</u>	<u>&lt;2,500&gt;</u>
Total Revenues	<u>1,785,863</u>	<u>-</u>	<u>1,785,863</u>
<b>Expenses</b>			
Program Service	863,219	-	863,219
Management and General	81,397	-	81,397
Fundraising	<u>78,701</u>	<u>-</u>	<u>78,701</u>
Total Expenses	<u>1,023,317</u>	<u>-</u>	<u>1,023,317</u>
Increase in Net Assets from Operations	762,546	-	762,546
Investment Income - Net	<u>93,601</u>	<u>-</u>	<u>93,601</u>
Change in Net Assets	856,147	-	856,147
Net Assets, Beginning of Year	<u>957,192</u>	<u>-</u>	<u>957,192</u>
Net Assets, End of Year	<u>\$ 1,813,339</u>	<u>\$ -</u>	<u>\$ 1,813,339</u>

See accompanying notes.

GOLD COAST VETERANS FOUNDATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues			
Grants and Contributions	\$ 1,084,339	\$ -	\$ 1,084,339
Contributed Nonfinancial Assets	145,384	-	145,384
Interest Income	256	-	256
Released from Restriction	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>1,229,979</u>	<u>-</u>	<u>1,229,979</u>
Expenses			
Program Services	710,039	-	710,039
Management and General	143,352	-	143,352
Fundraising	<u>76,263</u>	<u>-</u>	<u>76,263</u>
Total Expenses	<u>929,654</u>	<u>-</u>	<u>929,654</u>
Increase/<Decrease> in Net Assets from Operations	300,325	-	300,325
Investment Income - Net	<u>5,945</u>	<u>-</u>	<u>5,945</u>
Change in Net Assets	306,270	-	306,270
Net Assets, Beginning of Year	<u>650,922</u>	<u>-</u>	<u>650,922</u>
Net Assets, End of Year	<u>\$ 957,192</u>	<u>\$ -</u>	<u>\$ 957,192</u>

See accompanying notes.

GOLD COAST VETERANS FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Wages	\$ 242,850	\$ 44,235	\$ 2,022	\$ 289,107
Programs	105,804	-	-	105,804
Occupancy	76,566	870	4,833	82,269
Fundraising	-	-	60,299	60,299
Grant and Other Assistance	39,279	2,067	-	41,346
Organization and Other Expense	52,025	1,246	1,094	54,365
Professional and Legal Fees	26,081	15,608	2,389	44,078
Office Expense	28,659	730	4,729	34,118
IT and Telecommunications	29,831	-	-	29,831
Payroll Taxes	18,578	2,769	770	22,117
Insurance	18,672	2,075	-	20,747
Repair and Maintenance	17,296	365	-	17,661
Dues and Subscriptions	14,046	2,860	431	17,337
Investment and Bank fee	10,351	1,299	-	11,650
Advertising and Promotion	8,451	-	2,134	10,585
Travel and Meetings	4,048	323	-	4,371
Depreciation	-	6,950	-	6,950
In-kind Donations	<u>170,682</u>	<u>-</u>	<u>-</u>	<u>170,682</u>
Total Functional Expenses	<u>\$ 863,219</u>	<u>\$ 81,397</u>	<u>\$ 78,701</u>	<u>\$1,023,317</u>

See accompanying notes.

GOLD COAST VETERANS FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Wages	\$ 196,946	\$ 26,161	\$ 13,345	\$ 236,452
Programs	131,924	-	-	131,924
Professional Fees	72,780	72,263	6,842	151,885
Consulting Fees	15,454	14,658	40,106	70,218
Occupancy	43,604	1,938	2,907	48,449
Office Expense	32,760	884	9,090	42,734
Payroll Taxes	15,056	2,445	1,678	19,179
Insurance	16,549	1,941	-	18,490
Advertising and Promotion	14,969	1,756	-	16,725
Organization Expense	19,124	4,080	2,295	25,499
Dues and Subscriptions	-	8,082	-	8,082
Telecommunications	5,489	644	-	6,133
Bad Debt	-	4,300	-	4,300
Depreciation	-	4,200	-	4,200
In-kind Donations	<u>145,384</u>	<u>-</u>	<u>-</u>	<u>145,384</u>
Total Functional Expenses	<u>\$ 710,039</u>	<u>\$ 143,352</u>	<u>\$ 76,263</u>	<u>\$ 929,654</u>

See accompanying notes.

GOLD COAST VETERANS FOUNDATION  
 STATEMENTS OF CASH FLOWS  
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 856,147	\$ 306,270
Adjustments to Reconcile		
Change in Net Assets to Net Cash		
Provided by Operating Activities		
Depreciation	6,950	4,200
Changes in Operating Assets and Liabilities		
Grants Receivable and Other Accrued Receivables	<95,000>	121,261
Prepays and Other Current Assets	<18,491>	<1,667>
Donated Film Assets	<500,000>	-
Accounts Payable and Other Accrued Expenses	<u>17,142</u>	<u>12,446</u>
Net Cash Provided by		
Operating Activities	266,748	442,510
Cash Flows from Investing Activities	<27,500>	-
Cash Flows from Financing Activities	<u>&lt;101,620&gt;</u>	<u>&lt;1,190,871&gt;</u>
Change in Cash and Cash Equivalents	137,628	<748,361>
Cash and Cash Equivalents, Beginning of Year	<u>287,787</u>	<u>1,036,148</u>
Cash and Cash Equivalents, End of Year	<u>\$ 425,415</u>	<u>\$ 287,787</u>

See accompanying notes.

GOLD COAST VETERANS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 1 - Organization

Gold Coast Veterans Foundation (the "Organization") is a nonprofit organization formed in 2009 in the state of California. The Organization's mission is to provide care, improve quality of life, and reduce or eliminate suffering and negative outcomes for American Military Veterans and their families who reside primarily in Ventura County. The Organization provides a comprehensive system of care to disrupt and defeat the chain of events that lead to negative health and life outcomes for Veterans using direct intervention to address and resolve the root causes and underlying issues before lives are damaged or lost. The Organization's financial support sources are primarily contributions from foundations, corporations, and individuals, as well as grants from local government and other entities.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Organization have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under those principles, the Organization is required to report information regarding its financial position and activities according to two classes of assets:

*Net Assets Without Donor Restrictions* - Net assets without donor restrictions are resources that are available for the general operations of the Organization and are not subject to donor-imposed restrictions.

*Net Assets With Donor Restrictions* - Net assets with donor restrictions are resources that are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires through the passage of time or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from donor restrictions. At December 31, 2023 and 2022, all of the Organization's net assets are unrestricted.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

GOLD COAST VETERANS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2 - Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments with maturity of three months or less to be cash equivalents. On occasion throughout the year, cash and cash equivalent balances exceeded amounts insured by the Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced any losses in such accounts.

Property and Equipment

Purchase of property and equipment are recorded at cost. Depreciation is recorded on a straight-line basis over the following estimated useful lives: Vehicles 5 years and Office furniture and equipment 3 years.

Investments

Investments are reported at fair value based on quoted market prices and consist of money market funds, stocks, corporate bonds, exchange traded products, government securities, and mutual funds.

Revenue and Support

For financial statement purposes, contributions that are restricted by donors are reported as an increase in net assets without donor restrictions if the restrictions expire in the same period. Restrictions not met in the same period are reported as an increase in net assets with donor restrictions.

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. At December 31, 2023 and 2022, all of the Organization's net assets are unrestricted.

Contributed Nonfinancial Assets

Contributed nonfinancial assets are reflected in the financial statements at the estimated fair market value at the time of donation. Contributed nonfinancial assets recognized in the statement of activities totaled \$170,682 and \$145,384 for the years ended December 31, 2023 and December 31, 2022, respectively, and consist of advertising.

Board members and other individuals volunteer their time and perform a variety of tasks that assist the Organization in carrying out its activities. These services do not meet the accounting standards to be recorded and have not been included in the financial statements.

GOLD COAST VETERANS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2 - Summary of Significant Accounting Policies (Continued)

Fundraising

The Organization engages in various fundraising activities to diversify revenue streams and engage with the community. The Organization diligently tracks and manages donor-imposed restrictions to ensure that funds are used in accordance with donor intent. Expenses related to fundraising activities are categorized separately in the functional expense schedule to provide clear insight into the costs associated with generating revenue.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used in the financial statements for depreciation expense based on the estimated useful lives of the underlying assets and grants receivable.

Impairment of Long-Lived Assets

The Organization reviews and evaluates long-lived assets for impairment when events or changes in circumstances indicate the related carrying amounts may not be recoverable. During the year ended December 31, 2023, the Organization received a film donated to support its mission and capitalized the donated film at its appraised fair market value on the date the donation was completed. The management determined that no impairment loss has been recognized for the fiscal year ended December 31, 2023.

Functional Allocation of Expenses

The costs of providing programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and the statements of functional expenses. Certain costs have been expensed directly to each function while other costs have been allocated among the programs and supporting services, based on estimates as determined by management.

GOLD COAST VETERANS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2 - Summary of Significant Accounting Policies (Continued)

Concentrations of Risk

The Organization received revenue and support under one grant which represented approximately 33% of total revenue and support at December 31, 2023.

Income Taxes

The Organization has a tax-exempt status under Section 501C(3) of the Internal Revenue Code and not classified as a private foundation. The Organization's policy is to evaluate uncertain tax positions for the potential for income tax exposure from unrelated business income or from loss of nonprofit status. The Organization does not believe its financial statements include, or reflect, any uncertain tax positions.

In compliance with its exempt status, the Organization annually files a Return of Organization Exempt from Income Tax (Form 990) and is subject to examination by the taxing authorities generally for three years after filing.

Note 3 - Liquidity

Financial assets available for general expenditure within one year of the statements of financial position date are comprised of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 425,415	\$ 287,787
Investments	<u>1,292,491</u>	<u>1,190,871</u>
Total Financial Assets	<u>\$ 1,717,906</u>	<u>\$ 1,478,658</u>

GOLD COAST VETERANS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 4 - Property and Equipment, Net

A summary of property and equipment, net is as follows as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Property and Equipment	\$ 65,000	\$ 37,500
Less: Accumulated Depreciation	<u>&lt;21,600&gt;</u>	<u>&lt;14,650&gt;</u>
Property and Equipment, Net	<u>\$ 43,400</u>	<u>\$ 22,850</u>

Depreciation expense for the years ended December 31, 2023 and 2022 amounted to \$6,950 and \$4,200, respectively.

Note 5 - Fair Value Measurements

GAAP provides the framework for measuring fair value. The classification of assets and liabilities within the fair value hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect estimates about market data. At December 31, 2023, there were no liabilities measured at fair value.

The three levels of the fair value hierarchy under GAAP and the valuation methodologies used for assets are described below:

Level 1 Input to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs derived principally from or corroborated by observable market data by correlation or other means.

GOLD COAST VETERANS FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 5 - Fair Value Measurements (Continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Fair value is based on significant unobservable inputs.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

All of the Organization's investments are in mutual funds and are classified within Level 1 of the fair value hierarchy as their fair value is determined using quoted market rates for which there is an active market for identical assets.

Note 6 - Investments

The investments held by the Organization, at fair value, as of December 31, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Government Securities	\$ 622,066	\$ -	\$ -	\$ 622,066
Exchange-Traded and Closed-End Funds	412,399	-	-	412,399
Stocks	199,534	-	-	199,534
Corporate Fixed Income	50,295	-	-	50,295
Cash, Bank Deposit, Money Market Funds	<u>8,197</u>	<u>-</u>	<u>-</u>	<u>8,197</u>
Total	<u>\$1,292,491</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,292,491</u>

Investment income, net included the following for the year ended December 31, 2023 is as follows:

	<u>December 31, 2023</u>
Interest, Dividends, and Long-Term Capital Gains	\$ 26,954
Unrealized and Realized Gain on Investments	<u>66,647</u>
Investment Income - Net	<u>\$ 93,601</u>

GOLD COAST VETERANS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 7 - Risks and Uncertainties

The spread of COVID-19 (coronavirus disease) has had a disruptive impact on the daily life and operations of individuals, businesses, and not-for-profits around the world. There is uncertainty about financial and economic impacts in all sectors of the economy. The financial markets have experienced significant volatility, and this may continue for an extended period of time. In light of these circumstances, management continues to assess how best to adapt to changed circumstances. No provision for this uncertainty is provided for in these financial statements.

Note 8 - Concentrations

The Organization received a cash donation from an individual which represented approximately 59% of revenue and support during the year ended December 31, 2022. The Organization maintains its cash at various financial institutions. The balance may, at times, exceed the FDIC limits.

Note 9 - Net Asset Released from Restrictions

During the year ended December 31, 2023, net assets of \$2,500 were released from donor restrictions by incurring expenses satisfying their restricted purpose.

Note 10 - Commitments and Contingencies

Operating Leases

The Organization has entered into a lease for its facilities requiring minimum monthly lease payments of \$4,144. This lease expires on January 31, 2028. Minimum future annual lease commitments are as follows:

<u>Year Ending December 31,</u>	
2024	\$ 49,728
2025	49,728
2026	49,728
2027	49,728
2028	<u>4,144</u>
	<u>\$ 203,056</u>

Lease payments are reported as rent expense and totaled \$51,383 and \$48,449 for the years ended December 31, 2023 and 2022, respectively.

GOLD COAST VETERANS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 11 - Related Parties

For the years ended December 31, 2023 and 2022, the Organization had no related party transactions which were required to be disclosed in accordance with U.S. GAAP.

Note 12 - Date of Management's Review

Management has reviewed subsequent events through January 10, 2025, the date on which the financial statements were available to be issued.

Note 13 - Subsequent Events

Management has evaluated subsequent events occurring after December 31, 2023. No significant reportable subsequent events have been deemed to require disclosure or adjustment to the financial statements up through January 10, 2025, the date on which the financial statements were available to be issued.