

FLORIDA NATIONAL GUARD FOUNDATION, INC.
St. Augustine, Florida

Financial Statements
And
Independent Auditors' Report
June 30, 2016

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

FLORIDA NATIONAL GUARD FOUNDATION, INC.
ST. AUGUSTINE, FLORIDA
JUNE 30, 2016

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Florida National Guard Foundation, Inc.
St. Augustine, Florida

We have audited the accompanying financial statements of the Florida National Guard Foundation, Inc. (a non-profit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements in accordance with accounting principles generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurances 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 auditor's 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 Directors
Florida National Guard Foundation, Inc.
St. Augustine, Florida

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Florida National Guard Foundation, Inc., as of June 30, 2016, 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.

The supplementary information presented on page 9 is presented for the purposes of additional analysis and is not a required part of the financial statements of the Florida National Guard Foundation, Inc. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in blue ink, appearing to read 'W. H. O'Connell', is positioned above the typed name of the auditor.

W. H. O'Connell and Associates, P.A.
February 3, 2017
St. Augustine, Florida

FLORIDA NATIONAL GUARD FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016

ASSETS

Cash and Cash Equivalents	\$ 110,463
Marketable Securities	36,771
Grant Receivable	<u>2,500</u>

TOTAL ASSETS \$ 149,734

LIABILITIES AND NET ASSETS

NET ASSETS

Temporarily Restricted	\$ -
Unrestricted	<u>149,734</u>

TOTAL LIABILITIES AND NET ASSETS \$ 149,734

The accompanying "Notes to the Financial Statements"
form an integral part of this statement

FLORIDA NATIONAL GUARD FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Contributions	\$ 2,768	\$ -	\$ 2,768
Fundraising Income	174,650	-	174,650
Investment Income	522	-	522
	<hr/>	<hr/>	<hr/>
TOTAL SUPPORT AND REVENUE	\$ 177,940	\$ -	\$ 177,940
TEMPORARILY RESTRICTED NET ASSTS RELEASED FROM RESTRICTIONS			
	\$ 5,000	\$ (5,000)	\$ -
	<hr/>	<hr/>	<hr/>
TOTAL SUPPORT AND REVENUE AND RECLASSIFICATIONS	\$ 182,940	\$ (5,000)	\$ 177,940
EXPENSES			
Accounting	\$ 4,782	\$ -	\$ 4,782
Awards	256	-	256
Direct Financial Assistance	125,080	-	125,080
Fundraising Events	114,524	-	114,524
Indirect Troop Support	35,285	-	35,285
Insurance	1,798	-	1,798
Legal Fees	52	-	52
Permits and Fees	523	-	523
Printing and Copying	592	-	592
Rental Fees	455	-	455
Scholarships	17,500	-	17,500
Supplies	1,183	-	1,183
Telecommunications	2,407	-	2,407
Travel & Meetings	3,340	-	3,340
	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	\$ 307,777	\$ -	\$ 307,777
INCREASE (DECREASE) IN NET ASSETS			
	\$ (124,837)	\$ (5,000)	\$ (129,837)
NET ASSETS JULY 1, 2015			
	\$ 274,571	\$ 5,000	\$ 279,571
NET ASSETS JUNE 30, 2016			
	<u>\$ 149,734</u>	<u>\$ -</u>	<u>\$ 149,734</u>

The accompanying "Notes to the Financial Statements"
form an integral part of this statement

FLORIDA NATIONAL GUARD FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016

OPERATING ACTIVITIES:

Changes in Net Assets	\$ (129,837)
Adjustments to reconcile change in net assets to net cash provided/(used) by operating activities	
(Increase) Decrease in Grant Receivable	\$ (2,500)
Net unrealized (gains)/losses on investments	936
(Increase) Decrease in Prepaid Expenses	18,322

NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES \$ (113,079)

INVESTING ACTIVITIES:

Purchase of Marketable Securities	<u>\$ (1,324)</u>
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NET CASH PROVIDED (USED) IN INVESTING ACTIVITIES \$ (1,324)

NET INCREASE (DECREASE) IN CASH \$ (114,403)

CASH, JULY 1, 2015 \$ 224,866

CASH, JUNE 30, 2016 \$ 110,463

SUPPLEMENTAL INFORMATION:

The Foundation paid no interest or taxes during the year ended June 30, 2016.

The accompanying "Notes to the Financial Statements"
form an integral part of this statement

NOTES TO FINANCIAL STATEMENTS
AS OF THE YEAR ENDED JUNE 30, 2016
FLORIDA NATIONAL GUARD FOUNDATION, INC.
ST. AUGUSTINE, FLORIDA

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Business

Florida National Guard Foundation, Inc., (the Foundation), is a private, non-profit organization created to provide financial assistance to families of National Guard personnel.

Income Taxes

The Foundation is exempt from federal taxation under Internal Revenue Code Section 501(c)(3). The Foundation is not a private foundation. As of June 30, 2016 the following tax years remain open for examination by various taxing authorities: 2014, 2015 and 2016.

Basis of Accounting

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

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets 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 temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. As of June 30, 2016 temporarily restricted net assets totaled \$0.

The Foundation reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor

NOTES TO FINANCIAL STATEMENTS
AS OF THE YEAR ENDED JUNE 30, 2016
FLORIDA NATIONAL GUARD FOUNDATION, INC.
ST. AUGUSTINE, FLORIDA

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, the Foundation considers cash and all highly liquid investments with an initial maturity of three months or less to be cash equivalents. As of June 30, 2016 all deposits were fully insured by the FDIC.

Use of Estimates:

Preparation of the Foundation's financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. The nature of those estimates, however, is such that variances in actual results are generally immaterial.

Financial Statement Presentation

The Foundation has adopted FASB ASC 958-205, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-205, the Foundation is required to report 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. In addition, the Foundation is required to present a statement of cash flows.

Investment Securities

The Foundation has adopted FASB ASC 958-320, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under FASB ASC 958-320, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

NOTE 2. INVESTMENT IN MARKETABLE SECURITIES:

Investments in marketable securities are stated at fair value based on quoted prices in active markets (all Level 1 measurements) and consist primarily of high grade corporate bonds and mutual funds with a cost basis of \$30,196.

NOTES TO FINANCIAL STATEMENTS
AS OF THE YEAR ENDED JUNE 30, 2016
FLORIDA NATIONAL GUARD FOUNDATION, INC.
ST. AUGUSTINE, FLORIDA

NOTE 3. SUBSEQUENT EVENTS:

Management evaluated subsequent events through February 3, 2017, the date the financial statements were available for issue and identified the following.

For fiscal years ending June 30, 2017 and beyond, the organization will network with other organizations in fundraising activities to ensure better results. Additionally, for the year ending June 30, 2017 the Organization has secured significant funding from the State of Florida to provide assistance to service members.

SUPPLEMENTAL INFORMATION

FLORIDA NATIONAL GUARD FOUNDATION, INC.
SUPPLEMENTAL SCHEDULE OF INDIRECT TROOP SUPPORT
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Soldier Recognition and Memorials</u>
<u>Designated Fund</u>	
1-111th Aviation Fund	\$ 908
Back 2 School Bash	5,880
Capps Award	859
Moore Fund	6
Support Our Troops	6,874
Zeeff Fund	<u>20,758</u>
Total Indirect Troop Support	<u>\$ 35,285</u>