



Independent Auditors' Report on Combined Financial Statements

The Board of Directors
Volunteers of America of Florida, Inc.
and affiliated corporations:

Report on Financial Statements

Opinion

We have audited the financial statements of Volunteers of America of Florida, Inc. (a not-for-profit organization) and affiliated corporations, which comprise the combined statement of financial position as of June 30, 2024, and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the year then ended and the related notes to the combined financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Volunteers of America of Florida, Inc. and affiliated corporations as of June 30, 2024 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 (GAAS) and if applicable, the standards applicable to financial audits contained in *Government Auditing Standards* 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 Volunteers of America of Florida, Inc. and affiliated corporations as of June 30, 2024, 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.

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 Volunteers of America of Florida, Inc. and affiliated corporations' ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

Davis Group, P.A.
Certified Public Accountants & Advisors
P.O. Box 3271, Orlando, Florida 32802
Phone: 407-434-7900 Fax: 407-434-7910

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 GAAS and *Government 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 GAAS, 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 Volunteers of America of Florida, Inc. and affiliated corporations' 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 Volunteers of America of Florida, Inc. and affiliated corporations' 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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information included in Schedules 1 through 4 is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position and results of operations of the individual organizations. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and Chapter 10.650 of the Rules of the Auditor General of the State of Florida, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedules 1 through 4 and the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated in all material respects in relation to the combined financial statements as a whole. The schedules of state earnings, related party transaction adjustments, bed-day availability payments, and program/cost center actual expenses and revenues are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Report on Summarized Comparative Information

We have previously audited Volunteers of America of Florida, Inc. and affiliated corporations 2023 combined financial statements, and we expressed an unmodified opinion on those audited combined financial statements in our report dated December 12, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2024, on our consideration of the Organization'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.



Davis Group, P.A.
Orlando, Florida
December 6, 2024

**VOLUNTEERS OF AMERICA
OF FLORIDA, INC.
AND AFFILIATED CORPORATIONS**

Combined Statement of Financial Position

June 30, 2024

(With comparative financial information as of June 30, 2023)

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,188,875	\$ 1,476,473
Accounts receivable	3,941,966	2,283,849
Investments	615,321	518,661
Due from affiliated entities	726,780	1,187,443
Prepaid expenses	335,187	343,712
Tax and insurance escrows	49,463	103,168
Other current assets	9,086	5,479
Total current assets	6,866,678	5,918,785
Property and equipment:		
Land	6,138,233	6,028,659
Buildings and improvements	58,584,927	56,605,458
Furnishings and equipment	4,988,644	4,572,855
Construction in progress	1,078,503	409,866
Less: accumulated depreciation	(25,182,400)	(23,366,726)
Net property and equipment	45,607,907	44,250,112
Other assets:		
Right of use assets	295,058	466,952
Restricted assets	1,182,023	1,018,641
Interest rate swap	50,326	60,748
Other	38,303	72,764
Total other assets	1,565,710	1,619,105
Total assets	\$ 54,040,295	\$ 51,788,002
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 906,694	\$ 801,107
Construction payable	124,191	20,950
Accrued expenses	1,459,085	912,589
Lease obligations, current	125,017	198,543
Current portion of line of credit	920,000	-
Current installments of mortgages payable	95,758	7,271
Current installments of notes and loans payable	193,241	216,802
Current installments of bonds payable	545,770	474,361
Other current liabilities	323,598	223,737
Total current liabilities	4,693,354	2,855,360
Lease obligations, non-current	170,041	268,409
Lines of credit, non-current	1,510,000	1,250,000
Mortgages payable, non-current	9,705,705	7,311,512
Notes and loans payable, non-current	4,339,493	6,211,628
Bonds payable, non-current	7,088,511	7,636,194
Less: unamortized financing costs	(1,321,261)	(1,356,542)
Total long-term debt	19,812,448	19,802,792
Obligation under interest rate swap	67,333	104,708
Other long-term liabilities	125,542	120,469
Total liabilities	26,378,718	24,401,738
Net assets:		
Net assets without donor restrictions	6,014,779	6,406,380
Net assets with donor restrictions	21,646,798	20,979,884
Total net assets	27,661,577	27,386,264
Total liabilities and net assets	\$ 54,040,295	\$ 51,788,002

**VOLUNTEERS OF AMERICA
OF FLORIDA, INC.
AND AFFILIATED CORPORATIONS**

Combined Statement of Activities and Changes in Net Assets

Year ended June 30, 2024

(With summarized comparative financial information for the year ended June 30, 2023)

	Without Donor Restrictions	Limited Partnership - Without Donor Restrictions	Without Donor Restrictions Subtotal
Revenues from operations:			
Public support received directly:			
Contributions	\$ 705,727	\$ -	\$ 705,727
Restricted contributions	-	-	-
Contributed services, property and materials, in-kind	1,847,208	-	1,847,208
Special events, net of direct benefit costs	2,507	-	2,507
Public support received indirectly -			
VOA awards and grants	9,656	-	9,656
Total public support	2,565,098	-	2,565,098
Revenue and grants from governmental agencies	16,655,047	-	16,655,047
Other revenue:			
Program service fees	4,047,187	207,796	4,254,983
Rental income	579,187	-	579,187
Other operating revenue	2,280,943	193	2,281,136
Total other revenue	6,907,317	207,989	7,115,306
Assets released from restriction	75,450	-	75,450
Total revenues from operations	26,202,912	207,989	26,410,901
Expenses:			
Operating expenses:			
Promoting self-sufficiency	20,173,311	-	20,173,311
Fostering independence	5,020,019	320,194	5,340,213
Total program services	25,193,330	320,194	25,513,524
Management and general	1,219,070	-	1,219,070
Fundraising activities	201,537	-	201,537
Total supporting services	1,420,607	-	1,420,607
Total operating expenses	26,613,937	320,194	26,934,131
Excess (deficit) from operations	(411,025)	(112,205)	(523,230)
Other revenues and (expenses):			
Gain (loss) on sale of property and equipment	6,904	-	6,904
Unrealized gain (loss) on investments	97,772	-	97,772
Gain on interest rate swap	26,953	-	26,953
Total other revenues and (expenses)	131,629	-	131,629
Change in net assets	(279,396)	(112,205)	(391,601)
Net assets, beginning of year	6,945,352	(538,972)	6,406,380
Net assets, end of year	\$ 6,665,956	\$ (651,177)	\$ 6,014,779

With Donor Restrictions	Totals	
	2024	2023
\$ -	\$ 705,727	\$ 408,478
-	-	77,530
-	1,847,208	1,248,512
-	2,507	67,603
-	9,656	3,996
-	2,565,098	1,806,119
742,364	17,397,411	14,841,001
-	4,254,983	4,063,216
-	579,187	561,118
-	2,281,136	1,670,911
-	7,115,306	6,295,245
(75,450)	-	-
666,914	27,077,815	22,942,365
-	20,173,311	17,633,832
-	5,340,213	4,475,486
-	25,513,524	22,109,318
-	1,219,070	1,096,449
-	201,537	191,667
-	1,420,607	1,288,116
-	26,934,131	23,397,434
666,914	143,684	(455,069)
-	6,904	1,225,491
-	97,772	54,532
-	26,953	81,496
-	131,629	1,361,519
666,914	275,313	906,450
20,979,884	27,386,264	26,479,814
\$ 21,646,798	\$ 27,661,577	\$ 27,386,264

**VOLUNTEERS OF AMERICA
OF FLORIDA, INC.
AND AFFILIATED CORPORATIONS**

Combined Statement of Cash Flows

Year ended June 30, 2024

(With comparative financial information as of June 30, 2023)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 275,313	\$ 906,450
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,839,538	1,696,253
Gain on disposal of property and equipment	(6,904)	(1,225,491)
Unrealized gain on investments	(97,772)	(54,532)
Fair value adjustment of interest rate swap	(26,953)	(81,496)
Increase (decrease) in cash due to:		
Accounts receivable	(1,658,117)	699,965
Prepaid expenses	8,525	270,393
Tax and insurance escrows	53,705	(13,565)
Other current assets	(3,607)	(3,406)
Other assets	34,461	2,953
Accounts payable	105,587	(343,217)
Construction payable	103,241	19,200
Accrued expenses	546,496	(89,618)
Other current liabilities	99,861	(32,247)
Other long-term liabilities	5,073	(9,297)
Net cash provided by operating activities	<u>1,278,447</u>	<u>1,742,345</u>
Cash flows from investing activities:		
Proceeds from investments	1,112	338
Deposits to restricted accounts	(163,382)	(106,546)
Net repayments (to) from affiliated entities	460,663	983,007
Proceeds from sale of property and equipment	-	1,761,663
Purchases of property and equipment	(3,181,000)	(1,098,135)
Net cash (used in) provided by investing activities	<u>(2,882,607)</u>	<u>1,540,327</u>
Cash flows from financing activities:		
Financing costs, net	25,852	(300,944)
Net advances (repayments) on lines of credit	1,180,000	(1,328,444)
Borrowings on long-term debt	3,026,723	389,467
Repayments of long-term debt	(2,916,013)	(1,308,674)
Proceeds from interest rate swap	-	328,899
Net cash provided by (used in) financing activities	<u>1,316,562</u>	<u>(2,219,696)</u>
Net (decrease) increase in cash and cash equivalents	(287,598)	1,062,976
Cash and cash equivalents, beginning of year	<u>1,476,473</u>	<u>413,497</u>
Cash and cash equivalents, end of year	<u>\$ 1,188,875</u>	<u>\$ 1,476,473</u>
Supplemental disclosure of cash flow information-		
Cash paid for interest	<u>\$ 784,363</u>	<u>\$ 777,275</u>