

**NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY  
(a nonprofit organization)**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**Year Ended December 31, 2024  
with Summarized Comparative Information  
for the year ended December 31, 2023**

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**INDEPENDENT AUDITORS' REPORT**

The Board of Directors  
National Veteran Small Business Coalition and Subsidiary  
Washington , DC

**Opinion**

We have audited the accompanying consolidated financial statements of National Veteran Small Business Coalition and its subsidiary (collectively, NVSBC), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of NVSBC as of December 31, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NVSBC 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 opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NVSBC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated 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 NVSBC'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 NVSBC'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.

## **Report on Summarized Comparative Information**

We have previously audited NVSBC's consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated November 1, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived. ☐

## Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities on Pages 18 - 19 are presented for the purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Renner and Company, CPA, P.C.*

Alexandria, Virginia  
July 16, 2025

**NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**December 31, 2024 (with Comparative Information as of December 31, 2023)**

**ASSETS**

|                                                     | 2024                | 2023              |
|-----------------------------------------------------|---------------------|-------------------|
| <b>CURRENT ASSETS</b>                               |                     |                   |
| Cash and cash equivalents including restricted cash | \$ 1,068,649        | \$ 947,439        |
| Prepaid expenses                                    | 23,522              | 36,323            |
| <b>TOTAL ASSETS</b>                                 | <u>\$ 1,092,171</u> | <u>\$ 983,762</u> |

**LIABILITIES AND NET ASSETS**

|                                         |                     |                   |
|-----------------------------------------|---------------------|-------------------|
| <b>CURRENT LIABILITIES</b>              |                     |                   |
| Accounts payable                        | \$ 37,660           | \$ 59,523         |
| Accrued liabilities                     | 31,262              | 24,576            |
| Deferred revenue                        | 597,876             | 273,676           |
| <b>TOTAL LIABILITIES</b>                | <u>666,798</u>      | <u>357,775</u>    |
| <b>NET ASSETS</b>                       |                     |                   |
| Without donor restrictions              | (94,036)            | 523,544           |
| Board-designated net assets             | 369,409             | -                 |
| With donor restrictions                 | 150,000             | 102,443           |
| <b>TOTAL NET ASSETS</b>                 | <u>425,373</u>      | <u>625,987</u>    |
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <u>\$ 1,092,171</u> | <u>\$ 983,762</u> |

See Notes to Consolidated Financial Statements.

# NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY

## CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended December 31, 2024 (with Summarized Comparative Information for the year ended December 31, 2023)

|                                                                               | 2024                          |                            |                   | 2023              |
|-------------------------------------------------------------------------------|-------------------------------|----------------------------|-------------------|-------------------|
|                                                                               | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total             | Total             |
| <b>SUPPORT AND REVENUE</b>                                                    |                               |                            |                   |                   |
| Event registrations                                                           | \$ 1,058,443                  | \$ -                       | \$ 1,058,443      | \$ 416,424        |
| Sponsorships                                                                  | 899,625                       | -                          | 899,625           | 783,998           |
| Grants                                                                        | -                             | 550,000                    | 550,000           | 851,997           |
| Membership dues                                                               | 298,720                       | -                          | 298,720           | 237,625           |
| Fundraising event                                                             | 179,086                       | -                          | 179,086           | 136,155           |
| In-kind services                                                              | 72,045                        | -                          | 72,045            | 107,600           |
| Interest income                                                               | 10,843                        | -                          | 10,843            | 1,759             |
| Miscellaneous                                                                 | 5,769                         | -                          | 5,769             | 1,202             |
| Net assets released from restriction,<br>satisfaction of program restrictions | 502,443                       | (502,443)                  | -                 | -                 |
| <b>TOTAL SUPPORT AND REVENUE</b>                                              | <b>3,026,974</b>              | <b>47,557</b>              | <b>3,074,531</b>  | <b>2,536,760</b>  |
| <b>EXPENSES</b>                                                               |                               |                            |                   |                   |
| Program                                                                       | 2,882,745                     | -                          | 2,882,745         | 1,777,850         |
| General and administrative                                                    | 331,999                       | -                          | 331,999           | 207,865           |
| Fundraising                                                                   | 60,401                        | -                          | 60,401            | 16,220            |
| <b>TOTAL EXPENSES</b>                                                         | <b>3,275,145</b>              | <b>-</b>                   | <b>3,275,145</b>  | <b>2,001,935</b>  |
| <b>CHANGE IN NET ASSETS</b>                                                   | <b>(248,171)</b>              | <b>47,557</b>              | <b>(200,614)</b>  | <b>534,825</b>    |
| <b>NET ASSETS, beginning of year</b>                                          | <b>523,544</b>                | <b>102,443</b>             | <b>625,987</b>    | <b>91,162</b>     |
| <b>NET ASSETS, end of year</b>                                                | <b>\$ 275,373</b>             | <b>\$ 150,000</b>          | <b>\$ 425,373</b> | <b>\$ 625,987</b> |

See Notes to Consolidated Financial Statements.

**NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended December 31, 2024 (with Summarized Comparative Information for the year ended December 31, 2023)**

|                                          | 2024                |                            |                  |                     | 2023                |
|------------------------------------------|---------------------|----------------------------|------------------|---------------------|---------------------|
|                                          | Program             | General and Administrative | Fundraising      | Total               | Total               |
| Events cost                              | \$ 1,654,883        | \$ 7,500                   | \$ 7,500         | \$ 1,669,883        | \$ 1,024,737        |
| Salaries and wages                       | 541,877             | 60,209                     | -                | 602,086             | 354,971             |
| Consulting and legal fees                | 412,936             | -                          | -                | 412,936             | 344,186             |
| Professional fees                        | -                   | 182,864                    | 9,383            | 192,247             | 11,963              |
| Payroll taxes and benefits               | 109,401             | 12,595                     | -                | 121,996             | 47,319              |
| Merchant fees                            | 92,776              | -                          | -                | 92,776              | 46,301              |
| Technology and subscription              | -                   | 31,894                     | 31,894           | 63,788              | 17,552              |
| Donated services                         | 42,098              | -                          | -                | 42,098              | 107,600             |
| Branding and marketing                   | 27,451              | 5,100                      | 5,100            | 37,651              | 28,172              |
| Payroll others                           | -                   | 22,989                     | -                | 22,989              | 10,778              |
| Professional development                 | -                   | 3,582                      | 3,582            | 7,164               | -                   |
| Office supplies, stationery and printing | -                   | 2,110                      | 2,108            | 4,218               | 1,262               |
| Utilities                                | -                   | 1,598                      | 834              | 2,432               | 640                 |
| Travel                                   | 1,323               | -                          | -                | 1,323               | 1,945               |
| Insurance                                | -                   | 1,114                      | -                | 1,114               | 1,112               |
| Bank Fees                                | -                   | 444                        | -                | 444                 | 728                 |
| Meetings & conferences                   | -                   | -                          | -                | -                   | 2,063               |
| Postage and courier                      | -                   | -                          | -                | -                   | 352                 |
| Meals and engagement                     | -                   | -                          | -                | -                   | 254                 |
| <b>TOTAL EXPENSES</b>                    | <b>\$ 2,882,745</b> | <b>\$ 331,999</b>          | <b>\$ 60,401</b> | <b>\$ 3,275,145</b> | <b>\$ 2,001,935</b> |

See Notes to Consolidated Financial Statements.

**NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**Year Ended December 31, 2024 (with Comparative Information for the year ended December 31, 2023)**

|                                                                           | <u>2024</u>                | <u>2023</u>              |
|---------------------------------------------------------------------------|----------------------------|--------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                               |                            |                          |
| Cash received from operations                                             |                            |                          |
| Support and revenue                                                       | \$ 3,387,888               | \$2,653,161              |
| Investment income                                                         | <u>10,843</u>              | <u>1,759</u>             |
| Total cash received from operations                                       | <u>3,398,731</u>           | <u>2,654,920</u>         |
| Cash disbursed from operations                                            |                            |                          |
| Payments to program recipients and suppliers                              | <u>(3,277,521)</u>         | <u>(2,000,456)</u>       |
| <b>NET INCREASE IN CASH, CASH EQUIVALENTS<br/>AND RESTRICTED CASH</b>     | <u>121,210</u>             | <u>654,464</u>           |
| <b>CASH, CASH EQUIVALENTS,<br/>AND RESTRICTED CASH, beginning of year</b> | <u>947,439</u>             | <u>292,975</u>           |
| <b>CASH, CASH EQUIVALENTS,<br/>AND RESTRICTED CASH, end of year</b>       | <u><u>\$ 1,068,649</u></u> | <u><u>\$ 947,439</u></u> |

See Notes to Consolidated Financial Statements.

**NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**Year Ended December 31, 2024 (with Comparative Information for the year ended December 31, 2023)**

|                                                                                                | <u>2024</u>              | <u>2023</u>              |
|------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>RECONCILIATION OF CHANGE IN NET ASSETS TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES</b> |                          |                          |
| <b>CHANGE IN NET ASSETS</b>                                                                    | <u>\$ (200,614)</u>      | <u>\$ 534,825</u>        |
| <b>CHANGES IN ASSETS AND LIABILITIES AFFECTING<br/>OPERATIONS PROVIDING CASH</b>               |                          |                          |
| <b>ASSETS</b>                                                                                  |                          |                          |
| Accounts receivable                                                                            | -                        | 243,869                  |
| Prepaid expenses                                                                               | <u>12,801</u>            | <u>(30,585)</u>          |
| <b>TOTAL</b>                                                                                   | <u>12,801</u>            | <u>213,284</u>           |
| <b>LIABILITIES</b>                                                                             |                          |                          |
| Accounts payable                                                                               | (21,863)                 | 7,488                    |
| Accrued liabilities                                                                            | 6,686                    | 24,576                   |
| Deferred revenue                                                                               | <u>324,200</u>           | <u>(125,709)</u>         |
| <b>TOTAL</b>                                                                                   | <u>309,023</u>           | <u>(93,645)</u>          |
| <b>NET CHANGES IN ASSETS AND LIABILITIES</b>                                                   | <u>321,824</u>           | <u>119,639</u>           |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                                               | <u><u>\$ 121,210</u></u> | <u><u>\$ 654,464</u></u> |

See Notes to Consolidated Financial Statements.

## **NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2023**

#### **1. ORGANIZATION, PURPOSE AND SIGNIFICANT ACCOUNTING POLICIES**

##### **Organization and Purpose**

National Veteran Small Business Coalition is a non-profit organization that provides training, networking, and advocacy for veteran small business entrepreneurs in the federal market to ensure they are Procurement Ready and have enhanced access to opportunities to start, operate, sustain, and grow competitive and strong businesses serving federal agencies and other government contractors.

The NVSBC Educational Foundation is a nonprofit organization dedicated to support and accelerate business development and growth of new and seasoned veteran owned small businesses to ensure they are “procurement ready” in the federal marketplace. The Foundation was established to solicit, receive, administer and expend funds for educational programs for veteran small businesses within the areas of government procurement. Donations may be tax deductible; please check with your personal tax adviser.

##### **Summary of Significant Accounting Policies**

###### **Principles of Consolidation**

These consolidated financial statements include the accounts of the National Veteran Small Business Coalition, Inc. and the NVSBC Education Foundation, Inc. (collectively, NVSBC). Intercompany transactions have been eliminated in the consolidation.

###### **Basis of Accounting**

NVSBC prepares its consolidated financial statements on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses are recognized when the obligation is incurred.

###### **Cash and Cash Equivalents**

Cash consists primarily of non-interest bearing checking, saving, and money market funds. Cash equivalents consist of money market funds held within brokered investment accounts. NVSBC's policy is to treat all short term investments with original maturities of 90 days or less and cash held in brokered assets as cash equivalents.

## **NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2023**

#### **1. ORGANIZATION, PURPOSE AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Summary of Significant Accounting Policies (Continued)**

###### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Accounts receivable are considered past due if payment is not received within 30 days of the invoice date. Management provides for probable uncollectible amounts through a provision for bad debt expenses and an adjustment to a valuation allowance based on its assessment of the current status of accounts. Uncollectible receivables will be written off when management determines the receivable will not be collected. At December 31, 2024 and 2023, no allowance for doubtful accounts was deemed necessary.

###### **Promises to Give**

Unconditional promises to give are recognized as support in the period the promise is made. Promises to give are expected to be fully collectible, and as of December 31, 2024, no allowance for doubtful promises to give has been established. Discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Donor-restricted support is reported as an increase in net assets with donor restrictions.

###### **Deferred Revenue**

Deferred revenue consists of membership dues, sponsorships and exhibitor fees paid in advance. Membership dues are recognized as revenue on a pro-rata basis over the membership year, while sponsorships and exhibitor fees received for future events and conferences are deferred until earned.

###### **Classes of Assets**

In accordance with U.S. GAAP, NVSBC's net assets are classified into two categories: without donor restriction and with donor restriction as follows:

###### **Net Assets Without Donor Restriction**

NVSBC includes operating net assets which are available for the general operations of NVSBC as net assets without donor restriction, as well as board-designated net assets set aside for future use.

## **NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2023**

#### **1. ORGANIZATION, PURPOSE AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Summary of Significant Accounting Policies (Continued)**

###### **Classes of Assets (Continued)**

###### **Net Assets With Donor Restriction**

NVSBC reports gifts of cash and other restricted support if they are received with donor stipulations that limit the use of donated assets as net assets with donor restrictions. When a donor restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restriction are reclassified to net assets without donor restriction and reported in the consolidated statement of activities as net assets released from restrictions.

Investment gains and losses earned on donor restricted funds held by NVSBC are recorded as an increase or decrease in net assets without donor restriction.

###### **Revenue Recognition**

NVSBC provides membership services to its member companies in the United States for the purpose of furthering its mission. NVSBC hosts annual VETS conference, awards gala, golf tournament, networking dinners, and furnishes benefits to sponsors.

###### **Disaggregation of Revenue**

NVSBC disaggregates revenue according to its major goods and services lines provided to members and nonmembers. These categories and disaggregation's are used to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

###### **Performance Obligations**

Membership dues are recognized over the membership period. The contract for membership dues is established once payment is received, for which NVSBC provides benefits and services for one year. Membership rates are determined by a member's reported annual revenue and ranged up to \$2,400 for the year ended December 31, 2024.

## **NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2023**

#### **1. ORGANIZATION, PURPOSE AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Summary of Significant Accounting Policies (Continued)**

###### **Revenue Recognition (Continued)**

###### **Performance Obligations (Continued)**

VETS Conference registrations are recognized at the time the exposition is held. The contract for VETS Conference registrations is established once payment is received, for which NVSBC provides access to the conference. Registration fees for the VETS Conference varies from \$199 up to \$899 depending registration type for the year ended December 31, 2024. Events and meetings are recognized once the specified meeting has occurred. These events and meetings include the annual award gala, golf tournament, networking dinners, and VetsETA. The contract for conferences, meetings, summits and trainings is established upon payment, for which NVSBC provides access to the event. Registration fees for members and nonmembers ranged from \$5 to \$120 for the year ended December 31, 2024.

Sponsorships are recognized at a point in time, when the event occurs. The contract for sponsorships is established upon payment, for which NVSBC provides various benefits such as display and distribution of signage, recognition on website and at events. Sponsorship rates ranged from \$750 to \$50,000 for the years ended December 31, 2024.

###### **Significant Judgments**

NVSBC's Board of Directors determines the price for its memberships dues each year. The price for conferences and events is determined by management, which accounts for all the expenses to be incurred and includes it in the final transaction price. Prices for advertisements are also determined by management.

###### **Income Taxes**

National Veteran Small Business Coalition, Inc. is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code. Advertising revenue earned in the publication is subject to unrelated business income tax.

National Veteran Small Business Coalition Education Foundation, Inc. is exempt from federal income taxes under 501(c)(3) of the Internal Revenue Code. However, income derived from activities unrelated to NVSBC's tax exempt purpose is taxable under the Code.

## **NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2023**

#### **1. ORGANIZATION, PURPOSE AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Summary of Significant Accounting Policies (Continued)**

###### **Income Taxes (Continued)**

In accounting for uncertainty in income taxes, accounting standards require an entity to recognize the financial statement impact of a tax position when it is more-likely-than-not that the position will not be sustained upon examination. Management evaluated NVSBC's and the Foundation's tax positions and concluded there are no uncertain tax positions that require adjustment to the consolidated financial statements to comply with the provisions of this guidance.

###### **Gifts-in-kind**

Donated services are recorded at their estimated fair market value on the date of receipt. Donated services are recognized in the financial statements at their fair value if the services require specialized skills and the services would typically need to be purchased if not donated. In-kind contributions are reported in the statement of activities as both revenue and expense.

###### **Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs, such as events cost, salaries and wages, payroll taxes and benefits, and branding and marketing have been allocated among the program and supporting services benefits based on level of effort. Consulting and legal fees, merchant fees, donated services, and travel were allocated to program only while professional fees, technology and subscription, payroll others, professional development, office supplies, stationery and printing, utilities, insurance, and bank fees were allocated to supporting services only.

###### **Use of Estimates**

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

###### **Liquidity and Availability of Assets**

NVSBC maintains a liquid cash balance in checking, saving, and money market accounts in an amount necessary to meet its anticipated expenditures for the next 30 days.

## NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023

#### 1. ORGANIZATION, PURPOSE AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Summary of Significant Accounting Policies (Continued)

##### Liquidity and Availability of Assets (Continued)

NVSBC reconciles the balance of financial assets subject to donor restrictions monthly, based on restricted amounts used and received. Restricted cash is separately identified and monitored as part of NVSBC's monthly financial reporting process.

NVSBC's financial assets available within one year to meet cash needs for general expenditures through December 31, 2025 are as follows:

|                                                                                                           |                          |
|-----------------------------------------------------------------------------------------------------------|--------------------------|
| Financial Assets                                                                                          |                          |
| Cash and cash equivalents                                                                                 | \$ 1,068,649             |
| Less amounts not available within one year                                                                |                          |
| Board-designated net assets                                                                               | (369,409)                |
| Purpose restricted net assets                                                                             | <u>(150,000)</u>         |
| Financial assets available within one year to meet cash needs<br>for general expenditures within one year | <u><u>\$ 549,240</u></u> |

#### 2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2024 and 2023 consisted of the following:

|                                        | 2024                       | 2023                     |
|----------------------------------------|----------------------------|--------------------------|
| Non-interest bearing checking accounts | \$ 699,239                 | \$ 875,837               |
| Money market                           | <u>369,410</u>             | <u>71,602</u>            |
|                                        | <u><u>\$ 1,068,649</u></u> | <u><u>\$ 947,439</u></u> |

The amounts in excess of deposit insurance limits was \$320,843 and \$351,253 as of December 31, 2024 and 2023, respectively.

Restricted cash balances as of December 31, 2024 and 2023 are as follows:

|                  | 2024                     | 2023                     |
|------------------|--------------------------|--------------------------|
| Board-designated | \$ 369,409               | \$ -                     |
| Donor-restricted | <u>150,000</u>           | <u>102,443</u>           |
|                  | <u><u>\$ 519,409</u></u> | <u><u>\$ 102,443</u></u> |

# NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023

### 3. DEFERRED REVENUE

Some membership dues and conference sponsorships were collected in advance. Deferred revenue as of December 31, 2024 and 2023 is as follows:

|                                     | 2024              | 2023              |
|-------------------------------------|-------------------|-------------------|
| Membership dues                     | \$ 155,782        | \$ 112,696        |
| Conventions, seminars, and programs | 442,094           | 160,980           |
|                                     | <u>\$ 597,876</u> | <u>\$ 273,676</u> |

### 4. NET ASSETS WITH DONOR RESTRICTIONS

A summary of net assets with donor restrictions for the years ended December 31, 2024 and 2023 is as follows:

|            | 2024                     |                        |                          |
|------------|--------------------------|------------------------|--------------------------|
|            | Balance at<br>12/31/2023 | Revenue and<br>Support | Balance at<br>12/31/2024 |
| Boeing     | \$ -                     | \$ 150,000             | \$ 150,000               |
| JPM Grants | 102,443                  | 400,000                | -                        |
|            | <u>\$ 102,443</u>        | <u>\$ 550,000</u>      | <u>\$ 150,000</u>        |

  

|            | 2023                     |                        |                          |
|------------|--------------------------|------------------------|--------------------------|
|            | Balance at<br>12/31/2022 | Revenue and<br>Support | Balance at<br>12/31/2023 |
| JPM Grants | \$ 50,000                | \$ 350,000             | \$ 102,443               |

### 5. DONATED GOODS AND SERVICES

NVSBC receives donated professional fees for consulting services from two vendors in 2024. These donated professional fees have been recorded in the consolidated financial statements at their estimated fair value under the consolidated statement of activities. Due to the nature of these nonfinancial assets, the services were utilized in the period they were received and there were no donor restrictions imposed on them. Inputs used to measure the initial recognition of donated services consist of current market rates for advertisements received. Donated services received for the year ended December 31, 2024 and 2023 was \$72,045 and \$107,600, respectively.

**NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2023**

**6. SUBSEQUENT EVENTS**

In preparing the financial statements, NVSBC has evaluated events and transactions for potential recognition or disclosure through July 16, 2025, the date the financial statements were available to be issued.

## **SUPPLEMENTARY INFORMATION**

**NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

**December 31, 2024 (with Summarized Comparative Information as of December 31, 2023)**

|                                                     | 2024              |                   |                        | 2023                  |                       |
|-----------------------------------------------------|-------------------|-------------------|------------------------|-----------------------|-----------------------|
|                                                     | NVSBC             | Foundation        | Eliminating<br>Entries | Consolidated<br>Total | Consolidated<br>Total |
| <b>CURRENT ASSETS</b>                               |                   |                   |                        |                       |                       |
| Cash and cash equivalents including restricted cash | \$ 305,412        | \$ 763,237        | \$ -                   | \$ 1,068,649          | \$ 947,439            |
| Accounts receivable                                 | 87,955            | -                 | (87,955)               | -                     | -                     |
| Prepaid expenses                                    | -                 | 23,522            | -                      | 23,522                | 36,323                |
| <b>TOTAL ASSETS</b>                                 | <u>\$ 393,367</u> | <u>\$ 786,759</u> | <u>\$ (87,955)</u>     | <u>\$ 1,092,171</u>   | <u>\$ 983,762</u>     |
| <b>CURRENT LIABILITIES</b>                          |                   |                   |                        |                       |                       |
| Accounts payable                                    | 737               | 124,878           | (87,955)               | \$ 37,660             | \$ 59,523             |
| Accrued liabilities                                 | 31,262            | -                 | -                      | 31,262                | 24,576                |
| Deferred revenue                                    | 155,782           | 442,094           | -                      | 597,876               | 273,676               |
| <b>TOTAL LIABILITIES</b>                            | <u>187,781</u>    | <u>566,972</u>    | <u>(87,955)</u>        | <u>666,798</u>        | <u>357,775</u>        |
| <b>NET ASSETS</b>                                   |                   |                   |                        |                       |                       |
| Without donor restrictions                          | 22,821            | (116,857)         | -                      | (94,036)              | 523,544               |
| Without donor restrictions - board designated       | 182,765           | 186,644           | -                      | 369,409               | -                     |
| With donor restrictions                             | -                 | 150,000           | -                      | 150,000               | 102,443               |
| <b>TOTAL NET ASSETS</b>                             | <u>205,586</u>    | <u>219,787</u>    | <u>-</u>               | <u>425,373</u>        | <u>625,987</u>        |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>             | <u>\$ 393,367</u> | <u>\$ 786,759</u> | <u>\$ (87,955)</u>     | <u>\$ 1,092,171</u>   | <u>\$ 983,762</u>     |

See Independent Auditors' Report.

**NATIONAL VETERAN SMALL BUSINESS COALITION AND SUBSIDIARY**

**CONSOLIDATING STATEMENT OF ACTIVITIES**

**Year Ended December 31, 2024 (with Summarized Comparative Information for the year ended December 31, 2023)**

|                                                                            | 2024              |                      | 2023               |                    |
|----------------------------------------------------------------------------|-------------------|----------------------|--------------------|--------------------|
|                                                                            | NVSBC             | Education Foundation | Consolidated Total | Consolidated Total |
| <b>SUPPORT AND REVENUE</b>                                                 |                   |                      |                    |                    |
| Event registrations                                                        | \$ -              | \$ 1,058,443         | \$ 1,058,443       | \$ 416,424         |
| Sponsorships                                                               | -                 | 899,625              | 899,625            | 783,998            |
| Membership dues                                                            | 298,720           | -                    | 298,720            | 237,625            |
| Fundraising event                                                          | -                 | 179,086              | 179,086            | 136,155            |
| In-kind services                                                           | -                 | 72,045               | 72,045             | 107,600            |
| Interest income                                                            | 5,628             | 5,215                | 10,843             | 1,759              |
| Miscellaneous                                                              | 164               | 5,605                | 5,769              | 1,202              |
| Grants                                                                     | -                 | -                    | -                  | 501,997            |
| Net assets released from restriction, satisfaction of program restrictions | -                 | 502,443              | 502,443            | 297,557            |
| <b>TOTAL SUPPORT AND REVENUE</b>                                           | <b>304,512</b>    | <b>2,722,462</b>     | <b>3,026,974</b>   | <b>2,484,317</b>   |
| <b>EXPENSES</b>                                                            |                   |                      |                    |                    |
| Program                                                                    | 224,213           | 2,658,532            | 2,882,745          | 1,777,850          |
| General and administrative                                                 | 72,420            | 259,579              | 331,999            | 207,865            |
| Fundraising                                                                | 3,102             | 57,299               | 60,401             | 16,220             |
| <b>TOTAL EXPENSES</b>                                                      | <b>299,735</b>    | <b>2,975,410</b>     | <b>3,275,145</b>   | <b>2,001,935</b>   |
| <b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION</b>                      | <b>4,777</b>      | <b>(252,948)</b>     | <b>(248,171)</b>   | <b>482,382</b>     |
| <b>REVENUE WITH DONOR RESTRICTIONS</b>                                     |                   |                      |                    |                    |
| Contributions                                                              | -                 | 550,000              | 550,000            | 350,000            |
| <b>DONOR RESTRICTED</b>                                                    |                   |                      |                    |                    |
| Net assets released from restriction, satisfaction of program restrictions | -                 | (502,443)            | (502,443)          | (297,557)          |
| <b>CHANGE IN NET ASSETS WITH DONOR RESTRICTION</b>                         | <b>-</b>          | <b>47,557</b>        | <b>47,557</b>      | <b>52,443</b>      |
| <b>CHANGE IN TOTAL NET ASSETS</b>                                          | <b>4,777</b>      | <b>(205,391)</b>     | <b>(200,614)</b>   | <b>534,825</b>     |
| <b>NET ASSETS, beginning of year</b>                                       | <b>200,809</b>    | <b>425,178</b>       | <b>625,987</b>     | <b>91,162</b>      |
| <b>NET ASSETS, end of year</b>                                             | <b>\$ 205,586</b> | <b>\$ 219,787</b>    | <b>\$ 425,373</b>  | <b>\$ 625,987</b>  |

See Independent Auditors' Report.