

BRING EVERYONE IN THE ZONE, INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

BRING EVERYONE IN THE ZONE, INC.

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FINANCIAL STATEMENTS



Lott, Vernon & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Bring Everyone In The Zone, Inc.

Opinion

We have audited the accompanying financial statements of Bring Everyone In The Zone, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2024 and 2023, 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 Bring Everyone In The Zone, Inc., as of September 30, 2024 and 2023, 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 Bring Everyone In The Zone, Inc. 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 Bring Everyone In The Zone, Inc.'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 Bring Everyone In The Zone, Inc.'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 Bring Everyone In The Zone, Inc.'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.

A handwritten signature in black ink that reads "Jett Vernon & Co., P.C." The signature is written in a cursive, flowing style.

Killeen, Texas
March 24, 2025

BRING EVERYONE IN THE ZONE, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 10,323	\$ 13,800
Accounts Receivable	19,816	12,770
Supplies Inventory	33,500	33,500
Bingo Escrow Account	17,542	31,488
Prepaid Expenses	9,163	1,500
Total Current Assets	<u>90,343</u>	<u>93,058</u>
PROPERTY AND EQUIPMENT		
Automobiles	26,975	26,975
Furniture and Equipment	77,771	77,771
Less: Accumulated Depreciation	<u>(104,746)</u>	<u>(104,746)</u>
Total Property and Equipment	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 90,343</u></u>	<u><u>\$ 93,058</u></u>

LIABILITIES

CURRENT LIABILITIES		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
Total Current Liabilities	<u>-</u>	<u>-</u>
LONG-TERM LIABILITIES		
SBA Loan (Note K)	<u>\$ 17,507</u>	<u>\$ 25,199</u>
Total Long-term Liabilities	<u>17,507</u>	<u>25,199</u>
Total Liabilities	<u>17,507</u>	<u>25,199</u>

NET ASSETS

NET ASSETS		
Without Donor Restrictions	<u>72,836</u>	<u>67,859</u>
Total Net Assets	<u>72,836</u>	<u>67,859</u>
Total Liabilities and Net Assets	<u><u>\$ 90,343</u></u>	<u><u>\$ 93,058</u></u>

The accompanying notes are an integral part of these statements.

BRING EVERYONE IN THE ZONE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS & OTHER INCOME			
Support			
Texas Veterans Commission Grant	\$ -	\$ 197,540	\$ 197,540
Central Counties Services MHMR Grant	-	94,997	94,997
Community Development Block Grant	-	417	417
United Way Grant	5,500	-	5,500
SBA Grants	-	-	-
Local Contributions	72,402	-	72,402
Bingo Income	1,237,301	-	1,237,301
Training Income	-	-	-
In-Kind Contributions	-	-	-
Total Support	<u>1,315,203</u>	<u>292,954</u>	<u>1,608,157</u>
Other Income	275	-	275
Net Assets Released From Restrictions	<u>292,954</u>	<u>(292,954)</u>	<u>-</u>
Total Revenues, Gains & Other Income	<u>1,608,433</u>	<u>-</u>	<u>1,608,433</u>
EXPENSES			
Program Services	311,152	-	311,152
General and Administrative	35,247	-	35,247
Fundraising	1,257,057	-	1,257,057
Total Expenses	<u>1,603,456</u>	<u>-</u>	<u>1,603,456</u>
INCREASE (DECREASE) IN NET ASSETS	4,977	-	4,977
NET ASSETS, BEGINNING OF YEAR	<u>67,859</u>	<u>-</u>	<u>67,859</u>
NET ASSETS, END OF YEAR	<u><u>\$ 72,836</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 72,836</u></u>

The accompanying notes are an integral part of these statements.

BRING EVERYONE IN THE ZONE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS & OTHER INCOME			
Support			
Texas Veterans Commission Grant	\$ -	\$ 128,537	\$ 128,537
Central Counties Services MHMR Grant	-	87,906	87,906
Community Development Block Grant	-	6,089	6,089
United Way Grant	4,010	-	4,010
City of Killeen ARP Grant	-	10,000	10,000
Local Contributions	70,703	-	70,703
Bingo Income	1,137,664	-	1,137,664
Training Income	-	-	-
In-Kind Contributions	-	-	-
Total Support	<u>1,212,377</u>	<u>232,532</u>	<u>1,444,909</u>
Other Income	310	-	310
Net Assets Released From Restrictions	<u>232,532</u>	<u>(232,532)</u>	<u>-</u>
Total Revenues, Gains & Other Income	<u>1,445,219</u>	<u>-</u>	<u>1,445,219</u>
EXPENSES			
Program Services	285,741	-	285,741
General and Administrative	39,227	-	39,227
Fundraising	1,115,078	-	1,115,078
Total Expenses	<u>1,440,046</u>	<u>-</u>	<u>1,440,046</u>
INCREASE (DECREASE) IN NET ASSETS	5,173	-	5,173
NET ASSETS, BEGINNING OF YEAR	<u>62,686</u>	<u>-</u>	<u>62,686</u>
NET ASSETS, END OF YEAR	<u><u>\$ 67,859</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 67,859</u></u>

The accompanying notes are an integral part of these statements.

BRING EVERYONE IN THE ZONE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Program Services	General and Administrative	Fundraising Expenses	Totals
EXPENSES				
Personnel Costs:				
Salaries	\$ 157,916	\$ 16,975	\$ -	\$ 174,891
Payroll Taxes	11,953	1,285	-	13,238
Total Personnel Costs	<u>169,869</u>	<u>18,260</u>	<u>-</u>	<u>188,129</u>
Other Expenses:				
Advertising, Promotion, & Outreach	4,413	-	-	4,413
Accounting & Auditing Fees	-	9,450	-	9,450
Background Checks	467	-	-	467
Bingo Expenses	-	-	1,257,057	1,257,057
Dues & Subscriptions	245	-	-	245
Insurance	14,287	1,587	-	15,874
Military Assistance Program	111,656	-	-	111,656
Office Expenses	-	5,200	-	5,200
Rent & Utilities	2,855	-	-	2,855
Storage	3,810	423	-	4,233
Taxes	-	-	-	-
Training	-	-	-	-
Travel	613	-	-	613
Other	2,938	327	-	3,265
Total Other Expenses	<u>141,283</u>	<u>16,987</u>	<u>1,257,057</u>	<u>1,415,327</u>
Total Expenses	<u><u>\$ 311,152</u></u>	<u><u>\$ 35,247</u></u>	<u><u>\$ 1,257,057</u></u>	<u><u>\$ 1,603,456</u></u>

The accompanying notes are an integral part of these statements.

BRING EVERYONE IN THE ZONE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Program Services	General and Administrative	Fundraising Expenses	Totals
EXPENSES				
Personnel Costs:				
Salaries	\$ 154,252	\$ 16,581	\$ -	\$ 170,833
Payroll Taxes	11,875	1,277	-	13,152
Total Personnel Costs	<u>166,127</u>	<u>17,858</u>	<u>-</u>	<u>183,985</u>
Other Expenses:				
Advertising, Promotion, & Outreach	511	-	-	511
Accounting & Auditing Fees	-	6,434	-	6,434
Background Checks	825	-	-	825
Bingo Expenses	-	-	1,115,078	1,115,078
Dues & Subscriptions	335	-	-	335
Insurance	13,599	1,511	-	15,110
Military Assistance Program	87,955	-	-	87,955
Office Expenses	-	12,761	-	12,761
Rent & Utilities	8,415	-	-	8,415
Storage	2,947	327	-	3,274
Taxes	-	(26)	-	(26)
Training	197	-	-	197
Travel	1,581	-	-	1,581
Other	3,249	362	-	3,611
Total Other Expenses	<u>119,614</u>	<u>21,369</u>	<u>1,115,078</u>	<u>1,256,061</u>
Total Expenses	<u><u>\$ 285,741</u></u>	<u><u>\$ 39,227</u></u>	<u><u>\$ 1,115,078</u></u>	<u><u>\$ 1,440,046</u></u>

The accompanying notes are an integral part of these statements.

BRING EVERYONE IN THE ZONE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Change in Net Assets	\$ 4,977	\$ 5,173
Adjustments to Reconcile Change in Net Assets		
To Net Cash Provided by (Used For) Operating Activities:		
(Increase) Decrease in Accounts Receivable	(7,046)	7,753
(Increase) Decrease in Supplies Inventory	-	-
(Increase) Decrease in Bingo Escrow	13,947	(15,586)
(Increase) Decrease in Prepaid Expenses	(7,663)	(1,500)
Increase (Decrease) in Accounts Payable	-	-
Net Cash Provided By (Used For) Operating Activities	<u>4,215</u>	<u>(4,160)</u>
Adjustments to Reconcile Change in Net Assets		
To Net Cash Provided by (Used For) Financing Activities:		
Increase (Decrease) in Notes Payable	(7,692)	(7,051)
Net Cash Provided By (Used For) Financing Activities	<u>(7,692)</u>	<u>(7,051)</u>
Cash and Cash Equivalents at Beginning of Fiscal Year	<u>13,800</u>	<u>25,011</u>
Cash and Cash Equivalents at End of Fiscal Year	<u><u>\$ 10,323</u></u>	<u><u>\$ 13,800</u></u>

The accompanying notes are an integral part of these statements.

BRING EVERYONE IN THE ZONE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

NOTE A - NATURE OF THE ORGANIZATION

Bring Everyone In The Zone, Inc. (hereafter referred to as the “BEITZ”) is a nonprofit corporation incorporated in Texas in 2008 and exempted under Section 501(c)(3) of the Internal Revenue Code. BEITZ was formed to provide education and support to service personnel and their families who are experiencing the devastating effects of post-traumatic stress disorder. BEITZ receives funds primarily from contributions received from local grants, charitable organizations, businesses and individuals.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States.

Basis of Presentation

As required by the Not-for-Profit Entities Classification of Net Assets topic of the Financial Accounting Standards Board Accounting Standards Codification (the “FASB ASC”), BEITZ reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions, depending on the existence or nature of any donor restrictions. In addition, BEITZ is required to present a statement of cash flows. There were no net assets with donor restrictions as of September 30, 2024 and 2023.

Cash and Cash Equivalents

For purposes of the statement of financial position, the statement of activities, and the statement of cash flows, BEITZ considers cash in demand accounts, including short term highly liquid investments with initial maturities of three months or less to be cash equivalents.

Contributions

All contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions. None of the contributions received by BEITZ are with donor restrictions.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

BRING EVERYONE IN THE ZONE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

BEITZ is a not-for profit organization exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. BEITZ is also exempt from Texas state franchise tax. However, BEITZ is subject to income tax for pull tab/event bingo, which is considered unrelated business income and accordingly files IRS Form 990T annually. BEITZ has not been examined by a major tax jurisdiction for the open years 2017 to 2024.

Inventories

Inventory consists of supplies used in everyday operations of BEITZ and are recorded at cost when purchased.

Fixed Assets

The Organization's building, land improvements, furniture and equipment is recorded at the date of the gift. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. The entity capitalizes any item costing \$2,500 or more, including donations of the value. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	39 years
Land Improvements	15 years
Furniture, Fixtures, and Equipment	5 to 7 years

The depreciation expense for the years ended September 30, 2024 and 2023 was \$0 in each year.

NOTE C - ADVERTISING

BEITZ uses advertising to promote its programs. Advertising expenses are expensed as incurred. For the years ended September 30, 2024 and 2023, the advertising expense was \$4,413 and \$511, respectively.

NOTE D - PROPERTY & EQUIPMENT

Property and equipment consist of the following as of September 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Automobiles	\$ 26,975	\$ 26,975
Furniture and Equipment	77,771	77,771
Less: Accumulated Depreciation	<u>(104,746)</u>	<u>(104,746)</u>
	<u>\$ -</u>	<u>\$ -</u>

BRING EVERYONE IN THE ZONE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

NOTE E - ACCOUNTS RECEIVABLE

Accounts receivable consist of the following at September 30, 2024 and 2023:

	2024	2023
Texas Veterans Commission Grant	\$ 18,399	\$ 11,770
United Way Grant	1,000	1,000
Community Development Block Grant	417	-
	<u>\$19,816</u>	<u>\$12,770</u>

NOTE F - CONCENTRATION OF CREDIT RISK

BEITZ maintains its cash balances in a financial institution in Killeen, Texas. The balances are insured by the Federal Deposit Insurance Corporation. At September 30, 2024 and 2023, BEITZ's bank balances did not exceed FDIC limits.

NOTE G - BINGO ACTIVITIES

BEITZ began participating in bingo as a fund-raising activity through a partnership with Killeen Bingo Unit #248916. Income and expense from this activity are included in the financial statements based on gross receipts and expenses as reported to the organization from the Unit.

NOTE H - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires or the funds are used for capital expenditures, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Financial assets available to meet cash needs for general expenditures within one year consists of cash and cash equivalents of \$10,323 as of September 30, 2024 and \$13,800 as of September 30, 2023.

NOTE I - CONTINGENCIES

Amounts received from grants require the fulfillment of certain conditions as set forth in the grant contracts. BEITZ intends to fulfill the conditions of all grants, recognizing that failure to fulfill the conditions could result in the return of funds to the grantors. Amounts received or receivable are subject to audit and adjustments by the grantor agencies. Any disallowed claims, including amounts already collected, could become a liability to BEITZ. In management's opinion, disallowed claims, if any, would not have a material adverse effect on BEITZ's financial position or result of operations.

BRING EVERYONE IN THE ZONE, INC.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

NOTE J - SBA LOAN

On June 15, 2020, BEITZ received loan proceeds in the amount of \$149,900 under the COVID-19 Economic Injury Disaster Loan (EIDL) program from the SBA. This is a 30-year, 2.75% fixed rate loan per the terms of the program. The remaining balance of the loan as of September 30, 2024 and 2023 is \$17,507 and \$25,199, respectively.

NOTE K - SUBSEQUENT EVENTS

BEITZ has evaluated all events and transactions for potential recognition or disclosure through March 24, 2025, which represents the date the financial statements were available for issue, and has determined that there were no significant events that required disclosure.