

VETERANS HERITAGE PROJECT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
AND
INDEPENDENT ACCOUNTANTS' REVIEW REPORT

FOR THE YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS

	Pages
INDEPENDENT ACCOUNTANTS' REVIEW REPORT	1 – 2
FINANCIAL STATEMENTS:	
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
NOTES TO THE FINANCIAL STATEMENTS	7 – 16
SUPPLEMENTARY INFORMATION:	
Schedule of Special Events, net	17

8399 E. Indian School Rd
Suite 201
Scottsdale, AZ 85251



1600 Dove Street
Suite 201
Newport Beach, CA 92660

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board Members
Veterans Heritage Project

We have reviewed the accompanying financial statements of Veterans Heritage Project (an Arizona nonprofit organization), which comprise the statement of financial position as of June 30, 2023 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Veterans Heritage Project and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The accompanying supplementary information included in the Schedule of Special Events, net on Page 17 is presented for purposes of additional analysis and is not a required part of the basic 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 financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Baldwin Maffitt Behm LLP

Phoenix, Arizona
September 18, 2023

**VETERANS HERITAGE PROJECT
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023**

ASSETS

CURRENT ASSETS

Cash	\$ 928,661
Accounts receivable	5,250
Pledges receivable, current portion, net of discount	9,480
Inventory of books	19,255
Deposit for future event	2,000
Prepaid insurance	1,443
Prepaid expenses, other	<u>1,694</u>

TOTAL CURRENT ASSETS \$ 967,783

**PROPERTY AND EQUIPMENT, NET
OF ACCUMULATED DEPRECIATION**

9,835

RIGHT-OF-USE ASSET, OPERATING LEASE

17,487

OTHER ASSETS

Pledges receivable, net of current portion and discount	28,438
Lease deposits	<u>1,000</u>

29,438

TOTAL OTHER ASSETS

TOTAL ASSETS

\$ 1,024,543

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 3,306
Accrued compensated absences	17,894
Credit card payable	8,200
Lease liability, operating lease, current portion	16,097
Deferred revenue	<u>45,000</u>

TOTAL CURRENT LIABILITIES \$ 90,497

NET ASSETS

Without donor restrictions	900,943
With donor restrictions	<u>33,103</u>

TOTAL NET ASSETS 934,046

**TOTAL LIABILITIES AND
NET ASSETS**

\$ 1,024,543

The accompanying notes are an integral part of this financial statement.

VETERANS HERITAGE PROJECT
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT:			
Grants			
Foundations	\$ 10,000	\$ -	\$ 10,000
Corporations	500	57,000	57,500
Government	-	-	-
Sponsorship			
Corporations	49,668	-	49,668
Matching	10,681	735	11,416
Program income	37,961	4,580	42,541
In-kind donations	54,000	-	54,000
Special events, net	253,040	-	253,040
Net assets released from restrictions:			
Satisfaction of program restrictions	102,997	(102,997)	-
TOTAL REVENUES, GAINS AND OTHER SUPPORT	<u>518,847</u>	<u>(40,682)</u>	<u>478,165</u>
FUNCTIONAL EXPENSES			
Programs	454,116	-	454,116
Supporting services			
Management and general	80,669	-	80,669
Fundraising	93,119	-	93,119
TOTAL FUNCTIONAL EXPENSES	<u>627,904</u>	<u>-</u>	<u>627,904</u>
LOSS FROM OPERATIONS	<u>(109,057)</u>	<u>(40,682)</u>	<u>(149,739)</u>
DONATIONS			
Individuals	140,839	17,500	158,339
Board members	18,205	-	18,205
Workforce campaigns	1,454	748	2,202
TOTAL DONATIONS	<u>160,498</u>	<u>18,248</u>	<u>178,746</u>
INCREASE (DECREASE) IN NET ASSETS	51,441	(22,434)	29,007
NET ASSETS, JULY 1, 2022	<u>849,502</u>	<u>55,537</u>	<u>905,039</u>
NET ASSETS, JUNE 30, 2023	<u>\$ 900,943</u>	<u>\$ 33,103</u>	<u>\$ 934,046</u>

The accompanying notes are an integral part of this financial statement.

**VETERANS HERITAGE PROJECT
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Supporting Services</u>			<u>Total</u>
	<u>Programs</u>	<u>Management and General</u>	<u>Fundraising</u>	
Book publishing	\$ 25,632	\$ -	\$ -	\$ 25,632
Book reception	47,382	-	-	47,382
Depreciation	1,725	683	-	2,408
Employee benefits	6,220	1,690	1,690	9,600
In-kind goods and services	54,000	-	-	54,000
Insurance	-	2,555	-	2,555
Marketing	2,964	-	122	3,086
Meals and meetings	-	391	-	391
Mentoring/chapter support	3,534	-	-	3,534
Merchant fees	-	-	9,111	9,111
Payroll taxes	13,033	2,454	4,108	19,595
Postage	2,866	675	895	4,436
Printing expenses	7,525	1,899	2,727	12,151
Professional development	77	1,231	-	1,308
Professional organization member	175	165	475	815
Professional services	2,500	25,079	7,704	35,283
Rent	12,165	5,057	-	17,222
Repairs and maintenance	-	1,973	-	1,973
Salaries	183,415	32,297	58,740	274,452
Scholarships and awards	57,246	-	-	57,246
Supplies	2,766	1,691	-	4,457
Technology, equipment and software	20,269	951	7,004	28,224
Travel	-	12	543	555
Utilities and telephone	5,195	1,866	-	7,061
Volunteer appreciation	5,427	-	-	5,427
TOTAL FUNCTIONAL EXPENSES	<u>\$ 454,116</u>	<u>\$ 80,669</u>	<u>\$ 93,119</u>	<u>\$ 627,904</u>

The accompanying notes are an integral part of this financial statement.

**VETERANS HERITAGE PROJECT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$	29,007
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation		2,408
Changes in operating assets and liabilities:		
Accounts receivable		(5,067)
Pledges receivable		(36,918)
Inventory of books		(1,295)
Deposit for future event		15,858
Prepaid insurance		(152)
Prepaid expenses, other		(686)
Right-of-use assets, operating lease		13,697
Accounts payable		1,325
Accrued compensated absences		919
Credit card payable		3,942
Lease liability, operating lease		(15,087)
Deferred revenue		40,000

**NET CASH PROVIDED BY OPERATING
ACTIVITIES**

\$ 47,951

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment		(4,129)
------------------------------------	--	---------

NET CASH USED IN INVESTING ACTIVITIES

(4,129)

NET INCREASE IN CASH

43,822

CASH, JULY 1, 2022

884,839

CASH, JUNE 30, 2023

\$ 928,661

**SUPPLEMENTARY DISCLOSURES OF CASH FLOW
INFORMATION**

NON-CASH ACTIVITIES

Right-of-use asset obtained in exchange for lease liability	\$	<u>31,184</u>
---	----	---------------

The accompanying notes are an integral part of this financial statement.

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 ORGANIZATION AND NATURE OF OPERATIONS

Veterans Heritage Project (the “Organization”) was founded in 2004 and incorporated as an Arizona nonprofit organization in 2009. The Organization’s mission is to connect students with veterans in order to honor veterans, preserve America’s heritage and develop future leaders. The Organization serves veterans, and middle school, high school, and college students in communities in Arizona and Florida.

The Organization offers educational enrichment programming which partners with veterans as primary sources of history, to motivate and inspire students to stay in school and become responsible, active citizens. Through civic engagement activities, veteran lectures, and the after-school program, students build twenty-first century skills: critical thinking, public speaking, listening, writing, collaboration, and the ability to gather and process information. Veteran oral history interviews are archived by students in the Library of Congress and their stories are written and published by students in an annual hardbound book entitled, *Since You Asked*. Veterans help to instill in students’ civic pride, understanding of sacrifice and service, accountability, and respect – building character in our next generation of leaders.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time.

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Organization adopted Accounting Standards Update No. 216-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities. The objective of this update is to improve the current net asset classification requirements and the information presented in financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows.

Availability and Liquidity

The Organization's financial assets at June 30, 2023 consist of cash in the amount of \$928,661. The Organization has a policy to structure its financial assets to be available as it general expenditures, liabilities, and other obligations come due.

Cash and cash equivalents

The Organization's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase.

Accounts Receivable

Accounts receivable are reported at the customers' outstanding balance less any allowance for doubtful accounts.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is charged to income in amounts sufficient to maintain the allowance for doubtful accounts at a level the board members believe is adequate to cover any probable losses. The trustees determine the adequacy of the allowance based on historical write-off percentages and information collected from individual accounts. Accounts receivable are charged off against the allowance when collectability is determined to be permanently impaired (bankruptcy, lack of contact, age of account balance, etc.).

Inventory of Books

Inventory of books is stated at the lower of cost (determined by the first-in, first-out method) or net realizable value. Inventories are adjusted for obsolescence and are written down to net realizable value based upon estimates of future demand, technology developments, and market conditions.

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment

Property and equipment are stated at cost. Major renewals and improvements of \$500 or greater are charged to the asset accounts while replacements, maintenance and repairs, which do not improve or extend the lives of respective assets, are expensed. At the time property and equipment are retired or otherwise disposed of, the assets and related depreciation accounts are relieved of the applicable amounts. Gains or losses from retirements or sales are credited or charged to income.

The Organization depreciates its property and equipment for financial reporting purposes using the straight-line method based upon the following useful lives:

Furniture and fixtures	10 years
Signs	10 years
Leasehold improvements	4-5 years
Computer hardware	3 years

Long-Lived Assets

ASC 360: "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of," requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset in question may not be recoverable. This standard did not have a material effect on the Organization's results of operations, cash flows or financial position.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets without donor restrictions.

Grants – revenue is recorded when cash is received if there are no restrictions. If the grant contains restrictions, revenue is recorded in accordance with those restrictions.

Gifts and pledges as well as any other unconditional promises to give are recognized as contributions in the period promised, net of estimated uncollectible amounts. Amounts expected to be collected within one year are recorded at their realizable value, and amounts expected to be collected beyond one year are recorded at the present value of estimated future cash flows.

Revenue from gifts, foundations and grants are recorded when they are received and monitored if they have any restrictions.

Revenue from in-kind contributions is recorded when the goods are received or the services are performed.

Revenue Recognition

For those services where the Organization’s performance obligation is satisfied at a point in time and for which there is no ongoing obligation, revenue is recognized as follows:

Program Revenue – revenue is recorded when cash is received.

The Organization applies the optional exemptions allowed under accounting guidance whereby the Organization is not required to disclose either the transaction price allocated to performance obligations that are unsatisfied as of the end of the period or an explanation as to when the Organization expects to recognize the related revenue. Such contracts generally include performance obligations that are contingent upon the closing of a real estate transaction.

The Organization has elected to apply the practical expedient of a portfolio approach for contracts with customers having similar characteristics.

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As of June 30, 2023, all assets of the Organization were held in bank accounts at Chase and Ameritrade banks from which immediate withdrawal is permitted. The dollar value of these accounts is derived from the statements issued by these banks.

Concentrations of Credit Risk – Cash in Bank

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Organization maintains its cash and equivalents in various bank accounts that, at times, may exceed federally insured limits. The Organization's cash and cash equivalents accounts have been placed with high credit quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

Accounting Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Functional expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Expenses that can be identified with a specific program or support service are charged directly to the program or support service. Costs common to multiple functions that have been allocated among the various functions benefited on the basis of periodic time or usage studies.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Expenses

All expenses are reported as a decrease in net assets without donor restrictions.

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes

The Organization is currently exempt from income tax under Internal Revenue Code (IRC) Section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization's management has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Compensated Absences

The Organization accrues for the costs of compensated absences to the extent that the employees' right to receive payment relates to services already rendered, the obligation vests or accumulates, payment is probable, and the amount can be reasonably estimated. At June 30, 2023, the Organization had \$17,894 of accrued compensated absences.

Subsequent events

The Organization has evaluated subsequent events through September 18, 2023, the date which the financial statements were available for issuance.

NOTE 3 NEW ACCOUNTING PRONOUNCEMENTS

Leases

In February 2016, FASB issued ASU 2016-02, *Leases* (Topic 842), to increase the transparency and comparability about leases among entities. The new guidance requires lessees to recognize a lease liability and a corresponding lease asset for virtually all lease contracts. It also requires additional disclosures about leasing arrangements. ASU 2016-02, as amended by ASU 2020-05, is effective for nonpublic entities for fiscal years beginning after December 15, 2021.

The Organization elected the "package of practical expedients", which allows it to not reassess under the new standard its prior conclusions about lease identification, lease classification, and initial direct costs. The Organization also elected the practical expedient to not separate lease and non-lease components.

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 4 ACCOUNTS RECEIVABLE

A summary of accounts receivable is as follows:

Accounts receivable	\$	5,250
Less allowance for doubtful accounts		-
Net accounts receivable	\$	5,250

As of June 30, 2023, there were no accounts receivable that were over 90 days old.

NOTE 5 PLEDGES RECEIVABLE

The Organization has received an unconditional pledge that is to be received in the future and scheduled to be fulfilled by December 31, 2026. The pledge is discounted at the risk-free rate of 2.5%.

A summary of the pledges receivable at June 30, 2023 is as follows:

Total pledges receivable outstanding	\$	40,000
Less: Unamortized discount to present value		(2,082)
Total pledges receivable, net		37,918
Less: current portion of pledges receivable		(9,480)
	\$	28,438

Future payments of pledges receivable for each of the fiscal years subsequent to June 30, 2023 are as follows:

Years ending:

June 30, 2024	\$	9,480
June 30, 2025		9,480
June 30, 2026		9,480
June 30, 2027		9,478
	\$	37,918

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 6 DEPOSITS FOR FUTURE EVENTS

The Organization paid \$2,000 for a deposit for an event that is to take place in 2024.

NOTE 7 PROPERTY AND EQUIPMENT, NET

Property and equipment and accumulated depreciation consists of the following at June 30, 2023:

Furniture and fixtures	\$	11,865
Signs		550
Leasehold improvements		7,532
Computer hardware		7,567
		27,514
Less accumulated depreciation		17,679
 Net property and equipment	 \$	 9,835

At June 30, 2023, the Organization had \$9,268 of property and equipment that was fully depreciated. For the year ended June 30, 2023, depreciation expense totaled \$2,408

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions that are subject to expenditure for specific purpose are as follows:

Educational enrichment program	\$	33,103
--------------------------------	----	--------

NOTE 9 IN-KIND DONATIONS

The Organization received donated professional services, as well as donated goods and services for an event, which values are based upon information provided by the third-party service provider and are recorded as donations in-kind for program revenues and expenses. For the year ended June 30, 2023 in-kind donations consisted of the following:

Program director services	\$	54,000
Lighting services for gala		20,000
Flowers for gala		3,000
		77,000
	\$	77,000

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 9 IN-KIND DONATIONS (CONTINUED)

For the year ended June 30, 2023, the \$54,000 of in-kind expenses for program director are on the statement of functional expenses, and the \$23,000 of gala expenses are included in the Saluting Stories of Service expenses on the schedule of special events.

NOTE 10 MARKETING

The Organization expenses all marketing costs the first time the marketing takes place. For the year ended June 30, 2023, the Organization had marketing expenses of \$3,086.

NOTE 11 LEASE AGREEMENT

The Organization has one office lease. Monthly rental payments are \$1,389 plus operating costs and the lease terminates in June 2024.

The Organization includes lease extension and termination options in the lease term if, after considering relevant economic factors, it is reasonably certain the Organization will exercise the option. In addition, the Organization has elected to account for any non-lease components in its real estate leases as part of the associated lease component. The Organization has also elected not to recognize leases with original lease terms of 12 months or less (short-term leases) on the Organization's balance sheet. The Organization does not have any short-term leases or at June 30, 2023.

Lease expense for operating leases and short-term leases is recognized on a straight-line basis over the lease term. Right-of-use assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

The Organization uses the incremental borrowing rate at lease commencement to calculate the present value of lease payments when the rate implicit in a lease is not known. The Organization's incremental rate is based on the rate the Organization would get if they were to apply for a bank loan.

**VETERANS HERITAGE PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 11 LEASE AGREEMENT (CONTINUED)

Right-of-use assets and lease liabilities by lease type, and the associated statements of financial position classifications are as follows:

	<u>Classification</u>	
Right-of-use assets:		
Operating leases	Right-of-use-assets, net	<u>\$ 17,487</u>
	<u>Classification</u>	
Lease liabilities:		
Operating leases	Lease liability	\$ 16,097
Less: current portion		<u>(16,097)</u>
Long-term portion		<u>\$ -</u>

The components of total lease costs were as follows for the year ended June 30, 2023:

	<u>Classification</u>	
Operating lease cost	Office lease expense	<u>\$ 17,222</u>

Future undiscounted lease payments for the lease which has an initial term of one year or more as of June 30, 2023 are as follows:

June 30, 2023 undiscounted lease payments	\$ 17,143
Less: imputed interest	<u>(1,046)</u>
Net lease liability	<u>\$ (1,046)</u>

Supplemental lease information:

Weighted-average remaining lease term (years) - operating leases	<u>1.00</u>
Weighted-average discount rate - operating leases	<u>6.50%</u>

SUPPLEMENTARY INFORMATION

**VETERANS HERITAGE PROJECT
SCHEDULE OF SPECIAL EVENTS, NET
FOR THE YEAR ENDED JUNE 30, 2023**

SALUTING STORIES OF SERVICE

Revenue	\$ 222,052	
In-kind donations	23,000	
Total revenue	<u>245,052</u>	
Expenses	<u>(92,949)</u>	
		\$ 152,103

HONOR, PROTECT, SERVE EVENTS

Revenue	\$ 110,271	
Expenses	<u>(9,334)</u>	
		<u>100,937</u>

TOTAL		<u><u>\$ 253,040</u></u>
--------------	--	--------------------------