

WARRIOR BONFIRE PROJECT

Financial Statements

December 31, 2024

with

Independent Auditors' Report

**WARRIOR BONFIRE PROJECT
FINANCIAL STATEMENTS
DECEMBER 31, 2024**

TABLE OF CONTENTS

	<u>Page Numbers</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities	4-5
Statement of Cash Flows	6
Statement of Functional Expenses	7
Notes to Financial Statements	8-13

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of Warrior Bonfire Project

Opinion

We have audited the accompanying financial statements of Warrior Bonfire Project (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, the related statements of activities, cash flows, and functional expenses for the year 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 Warrior Bonfire Project 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 Warrior Bonfire Project 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 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 Warrior Bonfire Project's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

www.maycpa.com

Main Office:

110 Monument Place, Vicksburg, MS 39180
Ph 601.636.4762 • Fx 601.636.9476

Mailing Address:

PO Box 821568
Vicksburg, MS 39182

Tallulah, LA Office:

1609 Felicia Drive, Tallulah, LA 71282
Ph 318.574.6254 • Fx 601.636.9476

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 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 Warrior Bonfire Project'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 Warrior Bonfire Project'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.



Vicksburg, Mississippi
February 12, 2025

**WARRIOR BONFIRE PROJECT
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024**

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 326,194
Investments, at fair value	<u>486,112</u>

Total current assets 812,306

TOTAL ASSETS \$ 812,306

LIABILITIES AND NET ASSETS

LIABILITIES \$ -

NET ASSETS:

Net assets without donor restrictions	781,358
Accumulated other comprehensive income:	
Unrealized holding gain on investments	<u>30,948</u>

Total net assets 812,306

TOTAL LIABILITIES AND NET ASSETS \$ 812,306

**WARRIOR BONFIRE PROJECT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

NET ASSETS WITHOUT DONOR RESTRICTIONS:

SUPPORT:

Gifts and contributions	\$ 803,174
Investment income	31,929
Other income	1,959
Total support	837,062

EXPENSES:

Program services:

Office	77,337
Conferences, conventions, and meetings	6,051
Supplies	3,652
Activities	22,484
Housing	58,953
Management fee	25,000
Payroll expenses	191,736
Payroll taxes	28,101
Advertising	33,525
Contract services	3,346
Rent	107
Travel	144,632
Miscellaneous	58,392
Total program services	653,316

Supporting services:

General administration:

Office	6,455
Legal and professional	8,650
Supplies	886
Management fee	3,000
Payroll expenses	29,323
Payroll taxes	3,741
Advertising	939
Contract services	470
Rent	1,692
Travel	1,122
Miscellaneous	9,766
Total general administration	66,044

WARRIOR BONFIRE PROJECT
STATEMENT OF ACTIVITIES – CONTINUED
YEAR ENDED DECEMBER 31, 2024

Fundraising:		
Office		13,596
Conferences, conventions, and meetings		979
Supplies		629
Management fee		2,750
Payroll expenses		26,827
Payroll taxes		3,449
Advertising		6,565
Contract services		1,872
Travel		4,180
Miscellaneous		12,316
Total fundraising		<u>73,163</u>
Total supporting services		<u>139,207</u>
Total expenses		<u>792,523</u>
Increase in net assets without donor restrictions		44,539
OTHER COMPREHENSIVE INCOME:		
Change in unrealized holding gain on investments		<u>9,201</u>
Increase in net assets		53,740
NET ASSETS, beginning of year		<u>758,566</u>
NET ASSETS, end of year		<u><u>\$ 812,306</u></u>

**WARRIOR BONFIRE PROJECT
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in net assets without donor restrictions	\$ 53,740
Adjustment to reconcile increase in net assets without donor restrictions to net cash provided by operating activities:	
Realized gain on sale of investments	(3,851)
Unrealized gain on investments	(9,201)
	<hr/>
Net cash provided by operating activities	40,688

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sale of investments	63,352
Purchase of investments	(66,266)
	<hr/>
Net cash used in investing activities	(2,914)
	<hr/>
Net increase in cash and cash equivalents	37,774

CASH AND CASH EQUIVALENTS, beginning of year 288,420

CASH AND CASH EQUIVALENTS, end of year \$ 326,194

**WARRIOR BONFIRE PROJECT
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024**

Description	Program Services		Supporting Services			Total
	Warrior Bonfire Project	Total Program Services	General Admini- stration	Fund - raising	Total Supporting Services	
Office	\$ 77,337	\$ 77,337	\$ 6,455	\$ 13,596	\$ 20,051	\$ 97,388
Legal and professional	-	-	8,650	-	8,650	8,650
Conferences, conventions, and meetings	6,051	6,051	-	979	979	7,030
Supplies	3,652	3,652	886	629	1,515	5,167
Activities	22,484	22,484	-	-	-	22,484
Housing	58,953	58,953	-	-	-	58,953
Management fee	25,000	25,000	3,000	2,750	5,750	30,750
Payroll expenses	191,736	191,736	29,323	26,827	56,150	247,886
Payroll taxes	28,101	28,101	3,741	3,449	7,190	35,291
Advertising	33,525	33,525	939	6,565	7,504	41,029
Contract services	3,346	3,346	470	1,872	2,342	5,688
Rent	107	107	1,692	-	1,692	1,799
Travel	144,632	144,632	1,122	4,180	5,302	149,934
Miscellaneous	58,392	58,392	9,766	12,316	22,082	80,474
Sub-total	<u>\$ 653,316</u>	<u>\$ 653,316</u>	<u>\$ 66,044</u>	<u>\$ 73,163</u>	<u>\$ 139,207</u>	<u>\$ 792,523</u>
Percentage of total program and supporting services:	82%	82%	9%	9%	18%	100%

WARRIOR BONFIRE PROJECT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

The Organization was established in 2013 to provide an opportunity for wounded veterans to enjoy a favorite activity while participating in camaraderie and benefiting from the therapeutic value of spending time around a bonfire with fellow veterans. The Organization is supported primarily through donor contributions from the general public and members of the board of directors.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value. Conditional promises to give are not included as support until the conditions are substantially met. All other revenue is recorded when granted or when earned. At December 31, 2024, there were no unconditional or conditional promises to give.

The Organization uses the allowance for credit losses to determine uncollectible, unconditional promises to give. The allowance is based on prior years' experience and on management's analysis of the specific promises made. Amounts are written off when all collection efforts have been exhausted. Accounts are considered past due if they are not paid in accordance with pledge terms. Interest is not assessed on outstanding balances. Promises to give that are due in subsequent years are recorded at the amount pledged. No provision has been made to establish an allowance for credit losses, as all promises to give are considered collectible at their full realizable value.

Contributed Services

During the year ended December 31, 2024, the value of contributed services meeting the requirements for recognition in the financial statements was not material, and so it has not been recorded.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates and could have a material effect on the financial statements.

Continued

WARRIOR BONFIRE PROJECT
NOTES TO FINANCIAL STATEMENTS — CONTINUED
DECEMBER 31, 2024

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — CONTINUED

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred and accordingly reflect all significant receivables, payables, and other liabilities. This basis of accounting is in accordance with accounting principles generally accepted in the United States of America.

Revenue Recognition

The Organization records revenue from contracts with customers in accordance with FASB Accounting Standards Update 2014-09, Revenue from Contracts with Customers (Topic 606.) Under Topic 606, the Organization must identify the contract with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue as and when the Organization satisfies a performance obligation. Revenue has not been recognized in the current reporting period as a result of performance obligations satisfied in previous periods. The Organization has evaluated the nature of its contracts with its customers and determined that further disaggregation of revenue from contracts with customers into more granular categories than those presented in the statement of activities is not necessary. The Organization generally fully satisfies its performance obligations on its contracts with customers as it collects contributions, and the transaction prices are variable. In applying the revenue guidance prescribed in Topic 606, the Organization has made no significant judgments that affect the determination of the amount and/or timing of revenue coming from contracts with customers.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of resources invested in checking accounts.

Donor Imposed Restrictions

All contributions are considered available for immediate use unless they are specifically restricted by the donor. Amounts received for specific purposes are reported as donor-restricted support that increases net assets that have the donor restrictions class.

Continued

WARRIOR BONFIRE PROJECT
NOTES TO FINANCIAL STATEMENTS — CONTINUED
DECEMBER 31, 2024

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — CONTINUED

Donor Imposed Restrictions — Continued

When a donor-stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are then classified as net assets without donor restrictions and are reported in the statement of activities as net assets released from donor restriction.

If the restriction is fulfilled in the same period in which the contribution is received, the contribution is reported as being without donor restriction.

For the year ended December 31, 2024, there were no net assets with donor-imposed restrictions.

Advertising

The Organization expenses the cost of non-direct response advertising as it is incurred. Advertising expenses for the year ended December 31, 2024, were \$41,029.

NOTE B. INCOME TAXES

The Organization is a nonprofit foundation; as such, it is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization's income tax filings are subject to audit by various taxing authorities. Interpretations and tax planning strategies are considered in evaluating the Organization's tax provisions and accruals, future taxable income, and the reversal of temporary differences. The Organization believes its estimates are appropriate based on the current facts and circumstances. The Organization has certain tax years that are subject to examination by regulatory bodies.

NOTE C. FAIR VALUE MEASUREMENTS

The Organization's investments are reported at fair value in the accompanying statement of financial position. The method used to measure fair value may produce an amount that might not be indicative of net realizable value nor reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and that they are consistent with those of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Continued

WARRIOR BONFIRE PROJECT
NOTES TO FINANCIAL STATEMENTS — CONTINUED
DECEMBER 31, 2024

NOTE C. FAIR VALUE MEASUREMENTS — CONTINUED

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets or liabilities; and Level 3 inputs consist of unobservable inputs and have the lowest priority.

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 or Level 3 inputs were available to the Organization during 2024. There have been no changes in the methodologies used at December 31, 2024.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets,
- Quoted prices for identical assets or liabilities in inactive markets,
- Inputs other than quoted prices that are observable for the asset or liability, and
- Inputs that are derived principally from or corroborated by observable market data, either by correlation or by other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any significant input to the fair value measurement. The valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Continued

WARRIOR BONFIRE PROJECT
NOTES TO FINANCIAL STATEMENTS — CONTINUED
DECEMBER 31, 2024

NOTE C. FAIR VALUE MEASUREMENTS — CONTINUED

The following describes the valuation methodologies used for assets measured at fair value.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on the quoted net asset values of shares held by the Organization at year-end. The fair values of common stock, corporate bonds, and mutual funds are based on quoted market prices in an active market.

The Organization’s investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

NOTE D. INVESTMENTS

At December 31, 2024, the Organization’s investments were valued at a fair market value of \$493,566, resulting in an unrealized gain on investments of \$9,201 for the year ended December 31, 2024. Investment fees for the year ended December 31, 2024, were \$7,434.

Investments are presented in the financial statements in aggregate at fair market value and consist of the following:

	<u>Cost</u>	<u>Market</u>	<u>Unrealized Gain</u>
Cash and cash equivalents	\$ <u>7,454</u>	\$ <u>7,454</u>	\$ <u>—</u>
Mutual funds	\$ <u>455,164</u>	\$ <u>486,112</u>	\$ <u>30,948</u>
Investments, available for sale	\$ <u>462,618</u>	\$ <u>493,566</u>	\$ <u>30,948</u>

NOTE E. DEPOSITS

The Federal Deposit Insurance Corporation (FDIC) insures the demand accounts of each depositor up to \$250,000 in each federally chartered financial institution. Amounts in excess of \$250,000 are not covered by FDIC insurance. Financial instruments that potentially subject the Organization to credit risk are cash and cash equivalents held in a financial institution, and that can, from time to time, exceed the \$250,000 federally insured limit.

Continued

WARRIOR BONFIRE PROJECT
NOTES TO FINANCIAL STATEMENTS — CONTINUED
DECEMBER 31, 2024

NOTE E. DEPOSITS — CONTINUED

The Organization has minimized credit risk by depositing cash and cash equivalents in banks with a high credit standing. Accounts at these institutions are insured by the FDIC. The Organization has not experienced any loss of such funds, and management believes the Organization is not exposed to any significant credit risk on its cash and cash equivalents. At December 31, 2024, the Organization had uninsured cash deposits of \$68,736.

NOTE F. SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 12, 2025, the date the financial statements were available to be issued.

NOTE G. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization monitors its liquidity so that it can meet its operating needs and other contractual commitments. At December 31, 2024, the Organization had cash and cash equivalents of \$326,194 and investments of \$486,112 that could readily be made available in the next fiscal year to pay expenses without limitations. In addition to financial assets available to meet general expenditures over the year, the Organization operates with a balanced budget and anticipates that it will cover its general expenditures by raising sufficient gifts and contributions throughout the next fiscal year.

NOTE H. FUNCTIONAL CLASSIFICATION OF EXPENSES

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

NOTE I. OTHER COMPREHENSIVE INCOME

The following schedule summarizes the amounts reclassified from other comprehensive income during 2024 to gain on the sale of securities:

Unrealized holding loss on investments at December 31, 2023	\$ 21,747
Current year other comprehensive income	<u>9,201</u>
Unrealized holding gain on investments at December 31, 2024	<u>\$ 30,948</u>