

MILITARY FAMILY ADVISORY NETWORK
(a nonprofit organization)

FINANCIAL STATEMENTS

Year Ended December 31, 2024
with Summarized Comparative Information as of
December 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Military Family Advisory Network
Arlington, VA

Opinion

We have audited the accompanying financial statements of Military Family Advisory Network (MFAN), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows 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 MFAN as of December 31, 2024, and the changes in 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 MFAN 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 the MFAN'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, 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 MFAN'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 MFAN'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 MFAN's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 12, 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 financial statements from which it has been derived.

Renner and Company, CPA, P.C.

Alexandria, Virginia

June 27, 2025

Military Family Advisory Network

STATEMENT OF FINANCIAL POSITION

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

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and restricted cash	\$ 685,231	\$ 864,209
Accounts receivable	2,165,953	695,654
Prepaid expenses	25,261	51,238
TOTAL CURRENT ASSETS	<u>2,876,445</u>	<u>1,611,101</u>
TOTAL PROPERTY AND EQUIPMENT, at cost, net	<u>3,096</u>	<u>9,884</u>
TOTAL ASSETS	<u><u>\$ 2,879,541</u></u>	<u><u>\$ 1,620,985</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 4,731	\$ 43,662
Credit card payable	2,509	17,477
Deferred revenue	183,867	607,500
Accrued wages	70,513	344
TOTAL CURRENT LIABILITIES	<u>261,620</u>	<u>668,983</u>
NET ASSETS		
WITHOUT DONOR RESTRICTIONS		
Undesignated	250,724	199,497
Board designated	516,696	500,000
TOTAL WITHOUT DONOR RESTRICTIONS	<u>767,420</u>	<u>699,497</u>
WITH DONOR RESTRICTIONS	<u>1,850,501</u>	<u>252,505</u>
TOTAL NET ASSETS	<u>2,617,921</u>	<u>952,002</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,879,541</u></u>	<u><u>\$ 1,620,985</u></u>

See Independent Auditors' Report.

Military Family Advisory Network

STATEMENT OF ACTIVITIES

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

	2024			
	Without Donor Restrictions	With Donor Restrictions	Total	2023
SUPPORT AND REVENUE				
Contributions and sponsorships	\$ 1,800,654	\$ 2,247,247	\$ 4,047,901	\$ 1,621,819
Donated goods and services	244,387	-	244,387	326,934
Other income	28,722	-	28,722	37,053
Investment (loss) income	(358)	-	(358)	270
Net assets with donor restrictions released from restrictions	649,251	(649,251)	-	-
TOTAL SUPPORT AND REVENUE	<u>2,722,656</u>	<u>1,597,996</u>	<u>4,320,652</u>	<u>1,986,076</u>
EXPENSES				
Program	1,981,208	-	1,981,208	1,738,299
Management and general	376,920	-	376,920	387,716
Fundraising	296,605	-	296,605	276,977
TOTAL EXPENSES	<u>2,654,733</u>	<u>-</u>	<u>2,654,733</u>	<u>2,402,992</u>
CHANGE IN NET ASSETS	67,923	1,597,996	1,665,919	(416,916)
NET ASSETS, beginning of year	<u>699,497</u>	<u>252,505</u>	<u>952,002</u>	<u>1,368,918</u>
NET ASSETS, end of year	<u>\$ 767,420</u>	<u>\$ 1,850,501</u>	<u>\$ 2,617,921</u>	<u>\$ 952,002</u>

See Independent Auditors' Report.

Military Family Advisory Network

STATEMENT OF FUNCTIONAL EXPENSES

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

	2024				2023
	Program	Management and General	Fundraising	Total	
Salaries	\$ 929,605	\$ 243,210	\$ 140,953	\$ 1,313,768	\$ 1,390,463
Payroll taxes	71,756	17,783	10,905	100,444	108,987
Employee benefits	95,906	25,624	12,440	133,970	132,336
Donated services	244,387	-	-	244,387	316,934
Event	230,183	-	-	230,183	26,687
Travel	196,932	2,598	22,968	222,498	135,970
Consulting	93,714	15,351	77,399	186,464	66,643
Technology	95,104	26,794	19,248	141,146	117,356
Accounting fees	-	21,666	-	21,666	28,460
Marketing	11,510	-	-	11,510	12,178
Postage and printing	4,280	3,116	2,009	9,405	4,929
Merchant fees	-	-	7,512	7,512	6,384
Depreciation	-	6,788	-	6,788	7,021
Insurance	668	5,590	-	6,258	13,011
Professional fees	3,268	689	990	4,947	9,301
Registration and licensing	1,848	594	2,047	4,489	5,390
Dues and subscriptions	348	3,636	96	4,080	2,711
Storage unit	-	1,703	-	1,703	1,282
Office supplies	491	632	38	1,161	2,246
Research incentives	1,000	-	-	1,000	-
Memberships	208	613	-	821	1,201
Taxes	-	519	-	519	220
Legal & professional services	-	10	-	10	-
Bank charges	-	4	-	4	169
Donated goods	-	-	-	-	10,000
Other expense	-	-	-	-	2,930
Interest	-	-	-	-	183
TOTAL EXPENSES	\$ 1,981,208	\$ 376,920	\$ 296,605	\$ 2,654,733	\$ 2,402,992

See Independent Auditors' Report.

Military Family Advisory Network

STATEMENT OF CASH FLOWS

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from operations		
Support and revenue	\$ 2,076,141	\$ 1,767,857
Investment income	286	270
Total cash received from operations	2,076,427	\$ 1,768,127
Cash used in operations		
Payments to employees and suppliers	2,361,311	2,077,005
NET CASH USED BY OPERATING ACTIVITIES	(284,884)	(308,878)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of donated stock	105,906	-
Purchase of property	-	(2,372)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	105,906	(2,372)
NET DECREASE IN CASH AND RESTRICTED CASH	(178,978)	(311,250)
CASH AND RESTRICTED CASH, beginning of year	864,209	1,175,459
CASH AND RESTRICTED CASH, end of year	\$ 685,231	\$ 864,209
NON-CASH INVESTING ACTIVITIES		
Unrealized loss on investments	\$ 645	\$ -
Decrease in investment value	(645)	-
	\$ -	\$ -

See Independent Auditors' Report.

Military Family Advisory Network

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>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED BY OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	<u>\$ 1,665,919</u>	<u>\$ (416,916)</u>
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH USED BY OPERATING ACTIVITIES		
Unrealized loss	645	-
Donation of stock	(106,551)	-
Depreciation	<u>6,788</u>	<u>7,021</u>
	<u>(99,118)</u>	<u>7,021</u>
CHANGES IN ASSETS AND LIABILITIES AFFECTING OPERATIONS (USING) PROVIDING CASH		
ASSETS		
Accounts receivable	(1,470,299)	(425,515)
Prepaid expense	<u>25,977</u>	<u>(3,202)</u>
	<u>(1,444,322)</u>	<u>(428,717)</u>
LIABILITIES		
Accounts payable	(38,931)	(11,691)
Deferred revenue	(423,633)	534,500
Accrued wages	70,169	(1,808)
Credit card payable	<u>(14,968)</u>	<u>8,733</u>
	<u>(407,363)</u>	<u>529,734</u>
NET CHANGES IN ASSETS AND LIABILITIES	<u>(1,851,685)</u>	<u>101,017</u>
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (284,884)</u></u>	<u><u>\$ (308,878)</u></u>

See Independent Auditors' Report.

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

1. SIGNIFICANT ACCOUNTING POLICIES, ORGANIZATION AND PURPOSE

Nature of Activities

The Military Family Advisory Network (MFAN), a 501(c)(3) organization, was founded in 2013 to develop a community of military and veteran families, at home and abroad, who are well informed about important resources designed to serve them, equipped with tools for success, connected to leaders who serve the military family community and embraced by the general public.

The Military Family Advisory Network envisions a world where all military-connected families thrive. Our mission is to understand and amplify the needs of military-connected families and inspire data-informed change. This is done through three strategic objectives: conduct research and elevate challenges; build responsive, agile, scalable programs; strengthen the ecosystem that serves military families.

A brief description of major programs include:

Conduct research and elevate challenges

MFAN released findings from its largest and most comprehensive research effort in 2024. The survey yielded over 10,000 respondents, becoming the largest survey of military families. The research was cited in key policy efforts, including the House Armed Services Committee Quality of Life recommendations, including the largest pay increase for junior enlisted ranks. MFAN research was referenced in more than 2,500 media stories yielding a potential reach of 2.8B.

At the forefront of MFAN's research efforts is a peer-leader advisory board. A representative group of military and veteran spouses whose pulse on local and national experiences informs MFAN research and programmatic design. This group meets virtually each month and three times per year in person. Not only do advisory board members inform MFAN work, but they also participate in professional development opportunities, equipping them with skills and resources to grow as a peer leader.

Build responsive, agile, scalable programs

Informed by the data point that 51 percent of military families who had moved in the last 24 months were food insecure, in 2024, MFAN expanded its efforts to ease the financial burden military families experience with a recent move. Nearly 2,000 households at Fort Cavazos—a location with high food insecurity and high deployment frequency—were served by MFAN in 2024. Upon arrival to Fort Cavazos, families receive a restock kit that provides them with household items that need to be replaced during each move (e.g., pantry staples, cleaning supplies), valued at \$150.

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

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

Nature of Activities (Continued)

Build responsive, agile, scalable programs (Continued)

Families experiencing food insecurity are also provided three months of groceries to help them get on their feet following a military move. This program undergoes continual evaluation, which revealed that 80% of respondents reflected strong satisfaction and enthusiastic support for the program. In addition, 84% of respondents said the box made them feel welcomed, and about one-third shared that they returned to a partner location, where they picked up their box, to access additional community resources.

Strengthen the ecosystem that serves military families

MFAN believes in collaboration and leveraging its capabilities to create a collective impact model. To do this, MFAN supports peer organization with rigorous program evaluation, allowing for deeper understanding of experiences, defined goals, and measured impact. MFAN supports multiple external organizations through this work, with a potential impact on 127,500 individuals served by the programs MFAN evaluates.

In 2024 MFAN hosted a Solution Summit, convening over 100 stakeholders to design collaborative solutions to some of the most pressing needs identified in MFAN's research. This event yielded a roadmap that was published within 90 days of the event.

One of the most effective ways MFAN creates change for military families is through the convening of coalitions. Our coalitions bring together best-in-class partners in both the public and private sectors to share programs and resources, discuss emerging trends, and develop actionable recommendations for those in positions of leadership and influence. In 2021, we targeted three areas of focus – financial readiness, food insecurity, and housing.

Military Family Financial Readiness Coalition (MFFRC)

MFFRC convenes both public and private organizations committed to the financial wellness and stability of military families. This coalition provides an opportunity for organizations with a vested interest in the financial well-being of military families to share ideas, lessons learned, best practices, challenges, and opportunities to more effectively serve our families and respond to their evolving needs. In addition to informing the work of its participants in their financial education efforts and initiatives, the MFFRC yields actionable information that educates and informs policymakers.

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

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

Nature of Activities (Continued)

Military Family Food Insecurity Coalition (MFFIC)

Created in 2018, the Military Family Food Insecurity Coalition (MFFIC) shares research and resources, raises awareness, and develops solutions that alleviate hunger among our military and veteran communities. The coalition is comprised of military-connected nonprofits, advocacy and education organizations, policymakers, subject matter experts, industry leaders, food banks, and more.

Military Family Housing Roundtable (MHR)

The Military Housing Roundtable (MHR) is a network of trusted, best-in-class stakeholders from organizations across the public and private sectors working to ensure that military and veteran families have access to healthy, safe, and affordable housing regardless of where the military sends them. The MHR convenes housing leaders and advocates and builds on best practices to develop and recommend policy and programmatic solutions.

Basis of Accounting

MFAN prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted within the United States (U.S. GAAP). Revenues are recognized in the period in which they are earned; expenses are recognized in the period in which they are incurred.

Cash and Cash Equivalents

As of December 31, 2024, cash consists of a checking and savings account. MFAN considers all highly liquid investments with initial maturities of three months or less to be cash equivalents. There were no cash equivalents as of December 31, 2024 and 2023.

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

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

Accounts Receivable

Receivables are stated at net realizable value. MFAN provides an allowance for bad debts using the allowance method, which is based on the judgment of management considering historical information. Receivables are considered past due after 30 days and charged off based on individual credit evaluations and specific circumstances of the parties involved. Management records an allowance based on the history of collectability and its efforts to collect outstanding allowance. When all collection efforts have been exhausted, the accounts are written off against the related allowance. MFAN has deemed all receivables to be collectible and no allowance for doubtful accounts has been established for the years ended December 31, 2024 and 2023.

Fixed Assets and Depreciation

Fixed asset purchases in excess of \$1,000 are capitalized and are stated at cost, less accumulated depreciation. Depreciation of equipment is recorded on a straight-line basis over the estimated useful lives of the assets that are three to seven years. Donated assets are capitalized at fair market value on the date of donation.

Classes of Assets

In accordance with U.S. GAAP, MFAN's net assets are classified into two categories: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions

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

MFAN's net assets without donor restriction have been classified into reserves by the Board of Directors. The Operating Reserve fund's general purpose is to help to ensure the long-term financial stability of MFAN and position it to respond to varying economic conditions and changes affecting it's financial position and give MFAN the ability to continuously carry out its mission.

Net Assets With Donor Restrictions

MFAN reports gifts of cash and other restricted support if they are received with donor stipulations that limit the use of donated assets. 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 statement of activities as net assets released from restrictions.

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

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

Revenue Recognition

MFAN reports contributions with donor-imposed restrictions as net assets with donor restrictions; however, donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restriction, depending on the nature of the 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.

Disaggregation of Revenue

MFAN is dependent on the strength of its ability to solicit donations, grants and sponsorships from outside sources. MFAN recognizes revenue as it is received for financial reporting purposes. MFAN disaggregates revenue between grants, sponsorships and donations, and these categories are used to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

Performance Obligations

MFAN recognizes revenue received from grants in exchange for services rendered over time for financial reporting purposes. Revenue is recognized in the amount invoiced as that amount corresponds directly to the value of MFAN's performance to date. If factors create uncertainty about the amount to which MFAN expects to be entitled, MFAN would limit its estimated recognized amount to an amount that would not result in a significant reversal of revenue when the uncertainty is resolved.

Significant Judgments

MFAN would generally be entitled to payment for performance to date if a grant agreement is cancelled for any reason other than nonperformance. As a result, MFAN's revenue for awards in exchange for services rendered is recognized over time. Revenue is recognized in the amount invoiced as that amount corresponds directly to the value of MFAN's performance to date.

Gifts-in-kind

Donated goods and services are recorded at their estimated fair 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.

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

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

Income Taxes

MFAN is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. In addition, MFAN qualifies for the charitable contributions deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). MFAN had no taxable unrelated business income for the years ended December 31, 2024 and 2023.

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 MFAN's tax positions and concluded there are no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

Allocated Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs, such as salaries, payroll taxes, employee benefits, travel, consulting, technology, postage and printing, insurance, professional fees, registration and licensing, dues and subscriptions, office supplies and membership have been allocated among the program and management and general, and fundraising benefits based on level of effort. Accounting fees, depreciation, storage unit, taxes, legal & professional service, and bank charges have been allocated solely to general and administrative. Donated services, event, marketing, and research incentives have been allocated solely to programs.

Estimates

Management uses estimates and assumptions in preparing the financial statements in accordance with U.S. GAAP. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

The significant estimates affecting the financial statements include the estimated fair value of the donated goods and services are discussed in Note 6.

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

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

Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with MFAN's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Liquidity and Availability of Assets

MFAN maintains a liquid cash balance in the checking account in an amount necessary to meet its anticipated expenditures for the next 30 days.

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

Financial Assets	
Cash	\$ 685,231
Accounts receivable	2,165,953
Total financial assets	<u>2,851,184</u>
Less amounts not available within one year	
Restricted net assets	(1,850,501)
Operating budget reserve	<u>(516,696)</u>
Financial assets available within one year to meet cash needs for general expenditures within one year	<u><u>\$ 483,987</u></u>

2. CASH AND RESTRICTED CASH

Cash and restricted cash as of December 31, 2024 and 2023, consists of the following:

	2024	2023
Held for restricted purposes	\$ 180,500	\$ 252,505
Unrestricted cash	<u>504,731</u>	<u>611,704</u>
Total cash and restricted cash	<u><u>\$ 685,231</u></u>	<u><u>\$ 864,209</u></u>

The balances in a financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor. The bank balances as of December 31, 2024 and December 31, 2023, not covered by FDIC deposit insurance were \$426,814 and \$587,574, respectively.

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

3. ACCOUNTS RECEIVABLE

Accounts receivable as of December 31, 2024 and 2023, consisted of the following:

	2024	2023
Program fees	\$ 116,133	\$ -
Contribution pledges receivable, due in less than one year	2,048,285	42,654
Miscellaneous receivable	1,535	-
Sponsorship revenue receivable	-	653,000
Total	<u>\$ 2,165,953</u>	<u>\$ 695,654</u>

Allowance for credit losses for accounts receivable was \$0 for the year ended December 31, 2024 and 2023. There was no bad debt expenses for the year ended December 31, 2024 and 2023.

4. PROPERTY AND EQUIPMENT

Property and equipment and accumulated depreciation and depreciation expense for the year then ended December 31, 2024 and 2023, are as follows:

	2024		
	Cost	Depreciation Expense	Accumulated Depreciation
Furniture and equipment	<u>\$ 27,349</u>	<u>\$ 6,788</u>	<u>\$ 24,253</u>
	2023		
	Cost	Depreciation Expense	Accumulated Depreciation
Furniture and equipment	<u>\$ 27,349</u>	<u>\$ 7,021</u>	<u>\$ 17,465</u>

5. NET ASSETS WITH DONOR RESTRICTIONS

A summary of activity in net assets with donor restriction for funds maintained within MFAN for the years ended December 31, 2024 and 2023, are as follows:

	2024			
	Balance at December 31, 2023	Revenue and Support	Released from Restriction	Balance at December 31, 2024
Purpose restricted:				
National Survey	\$ -	\$ 7,500	\$ (7,500)	\$ -
MFANetwork	252,505	2,239,747	(641,751)	1,850,501
	<u>\$ 252,505</u>	<u>\$ 2,247,247</u>	<u>\$ (649,251)</u>	<u>\$ 1,850,501</u>

Military Family Advisory Network

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 (with Comparative Information as of and for the year ended December 31, 2023)

5. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

	2023			
	Balance at December 31, 2022	Revenue and Support	Released from Restriction	Balance at December 31, 2023
Purpose restricted:				
Communication	\$ -	\$ 85,000	\$ (85,000)	\$ -
MFANetwork	-	435,000	(182,495)	252,505
	<u>\$ -</u>	<u>\$ 520,000</u>	<u>\$ (267,495)</u>	<u>\$ 252,505</u>

6. DONATED GOODS AND SERVICES

Gifts-in-kind consist of donated services for media, web design, project management and other support services. Inputs used to measure the initial recognition of donated services consist of valued blended rates per hour based on actual hours spent for each project. Due to the nature of these nonfinancial assets, the services were all utilized in the period they were received and there were no donor restrictions imposed on them.

MFAN received donated gift cards in support of their research program in 2023. These goods were all utilized in the period they were received and there were no donor restrictions imposed on them. There were no donated goods in 2024. For the years ended December 31, 2023, donated services and goods consisted of the following:

	2024	2023
Donated goods	\$ -	\$ 10,000
Donated professional services	244,387	316,934
	<u>\$ 244,387</u>	<u>\$ 326,934</u>

7. SUBSEQUENT EVENTS

In preparing these financial statements, MFAN has evaluated events and transactions for potential recognition or disclosure through June 27, 2025, the date the financial statements were available to be issued.