JONES ALTERNATIVE, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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L.F. Harris & Associates, CPA, P.A.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Jones Alternative, Inc.
Orlando, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jones Alternative, Inc. (a not-for-profit organization), 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 Jones Alternative, Inc. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Jones Alternative, Inc. 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 Jones Alternative, 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 Jones Alternative, 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 Jones Alternative, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.650, rules of the Auditor General, is presented for purposes of additional analysis and is not a required part of the 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 information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 20, 2025 on our consideration of Jones Alternative, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jones Alternative, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jones Alternative, Inc.'s internal control over financial reporting and compliance.

L.F. Harris & Associates, CPA, P.A.
Orlando, Florida
August 20, 2025

JONES ALTERNATIVE, INC.
STATEMENT OF FINANCIAL POSITION
FOR YEAR ENDED DECEMBER 31, 2024

ASSETS	
Current Assets	
Cash and cash equivalents	$ 55,129
Accounts Receivable	211,696
Prepaid Expenses	9,452
Deposits	10,718
Total Current Assets	286,995
Property and Equipment	
Furniture and Fixtures (Net of Accumulated Depreciation)	184,019
	184,019
Right of Use Asset	134,570
TOTAL ASSETS	$ 605,584

LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts Payable	$ 25,137
Accrued Expenses	162,560
Current Portion Long-term Debt	42,188
Current Portion Operating Lease Payable	78,577
Total Current Liabilities	308,462
Long-Term Liabilities	
Notes Payable	133,143
Operating Leases Payable	57,019
Total Long-Term Liabilities	190,162
TOTAL LIABILITIES	498,624
Net Assets	
Net Assets Without Donor Restrictions	106,960
TOTAL LIABILITIES AND NET ASSETS	$ 605,584

See accompanying notes to the financial statements

JONES ALTERNATIVE, INC.
STATEMENT OF ACTIVITIES
FOR YEAR ENDED DECEMBER 31, 2024

Net Assets Without Donor Restrictions:	
Revenue, Gains and Other Support	
Grants	$ 1,361,105
Other Program Revenue	4,000
Total Revenues, Gains, and Support	1,365,105
Expenses	
Program Services	1,133,264
General and Administration	377,752
Total Expenses	1,511,016
Decrease in Net Assets Without Donor Restrictions	(145,911)
Net Assets Without Donor Restrictions, beginning of year	252,871
Net Assets Without Donor Restrictions, end of year	$ 106,960

See accompanying notes to the financial statements

JONES ALTERNATIVE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR YEAR ENDED DECEMBER 31, 2024

	Program Services Expenses	Management and General Expenses	Total
Salaries & Benefits	$ 436,730	$ 145,577	$ 582,307
Contract Services	128,824	42,936	171,760
Contributions	1,013	338	1,351
Office Expenses	20,818	6,939	27,757
Depreciation Expense	36,689	12,230	48,919
Occupancy	231,501	77,167	308,668
Telephone	19,544	6,515	26,059
Interest	4,223	1,408	5,631
Bank Fees	1,514	505	2,019
Other Operating Operating Expenses	203,462	67,821	271,283
Equipment	47,069	15,690	62,759
Licenses & Permits	1,877	626	2,503
	$ 1,133,264	$ 377,752	$ 1,511,016

See accompanying notes to the financial statements

JONES ALTERNATIVE, INC.
STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets Without Donor Restrictions	$ (145,911)
Adjustments to reconcile change in Net Assets to Net Cash provided by (used in) Operating Activities:	
Depreciation	48,919
(Gain) loss on sales of assets	7,077
Other Noncash Items	15,230
Change in Operating Assets and Liabilities:	
(Increase) decrease in Accounts Receivable	59,193
Prepaid & Other Assets	(9,452)
Increase (decrease) in Accrued Expenses	144,828
Increase (decrease) in Accounts Payable	24,202
Total Adjustments	289,997
Net Cash Provided By Operating Activities	**144,086**
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sale of property and equipment	21,777
Purchase of Property and Equipment	(190,603)
Net Cash Used In Investing Activities	**(168,826)**
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from debt borrowings	162,099
Repayments of debt borrowings	(84,604)
Net Cash Provided By Financing Activities	**77,495**
Net Increase in Cash and Cash Equivalents	52,755
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,374
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 55,129
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Interest Paid	$ 5,630
Income Taxes Paid	$ -

See accompanying notes to the financial statements

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Jones Alternative, Inc. is a not-for-profit organization formed under the Florida Not-For-Profit Corporation Act and has been in existence since July 15, 2016. The purpose of Jones Alternative, Inc. is to provide healing care and educational services to female victims of sexual trauma including molestation, rape, incest, and human trafficking. Jones Alternative, Inc. provides young girls with skills needed to overcome and resolve and causative issues, resulting behaviors, and excel in all future endeavors and live fulfilled lives.

Jones Alternative, Inc. is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code") and comparable state law and has been classified as a public support organization that is not a private foundation under Section 509(a) of the Code. Contributions to Jones Alternative, Inc. are tax deductible within the limitations prescribed by the Code.

Basis of Accounting

The financial statements of Jones Alternative, Inc. have been prepared on the accrual basis of accounting. The Statement of Activities includes program and support expenses. Salary and curriculum expenses are the primary program expenses incurred. Expenses for support activities are primarily salaries and include all general and administrative costs, and fundraising expenses.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Accounting Standards Codification ("ASC") 958, Not-for-Profit Entities. Under ASC 958, the organization is required to report information regarding its financial position and activities according to two classes of net assets:

- Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. Support that is restricted by the donor is reported as an increase in Net Assets Without Restrictions if the restrictions expire in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in Net Assets With Donor Restrictions. When a restriction expires restricted net assets are reclassified to Net Assets Without Donor Restrictions.

- Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the organization pursuant to those stipulations or that expire by the passage of time. Net Assets With Donor Restrictions also include net assets subject to donor-imposed stipulations that the organization must maintain permanently. Generally, the donors of such assets will permit the organization to use all, or part of the income earned on the assets.

Jones Alternative, Inc. had no restricted net assets as of December 31, 2024. The organization's program expenses are presented in the accompanying Statement of Activities.

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Presentation (continued)

Cash and Cash Equivalents

Jones Alternative, Inc. maintains its cash in a checking account and has not exceeded the federally insured limits of $250,000. For purposes of the Statement of Cash Flows, Jones Alternative, Inc. considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Grants Receivable

Grants receivables are stated at net realizable value. In the opinion of management, no allowance for uncollectible grants receivable was considered necessary as of December 31, 2024.

Concentration of Credit Risk

Financial instruments that potentially subject Jones Alternative, Inc. to credit risk principally consist of cash. Jones Alternative, Inc. maintains its cash accounts with a high-quality financial institution. The combined account balances at this institution did not exceed the FDIC insurance coverage as of December 31, 2024. Accordingly, Jones Alternative, Inc. believes the credit risk related to its financial instruments is insignificant. Jones Alternative Inc's grant receivables include amounts due under a contract with Embrace Families, Inc. as a sub-recipient of the State of Florida funding. Jones Alternative, Inc. has no policy requiring collateral or other security to support its receivables.

Property and Equipment

Property and Equipment purchased by Jones Alternative, Inc. are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives ranging from three to seven years. Charges for maintenance and repairs are charged to expenses when incurred. It is Jones Alternative, Inc.'s policy to capitalize purchases in excess of $1,000. Jones Alternative, Inc. expenses long-lived assets that have a cost of less than $1,000.

Revenue Recognition - Grants and Contributions

Jones Alternative, Inc. receives grants from government agencies and these funds are issued based on contracts with government agencies. These contracts are exchange transactions in which each party receives and sacrifices commensurate value. Funds from exchange transactions are not considered contributions and, as such, are deemed to be earned and reported as revenue when such funds have been expended towards the designated purpose.

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition - Grants and Contributions (continued)

Jones Alternative, Inc. recognizes contributions received, including unconditional promises to give, as assets and revenue in the period received at their fair values. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Gifts of cash and other assets are reported as either unrestricted or restricted support if they are received with donor stipulations that limit the use of such assets. When donor restrictions expire, restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statements of activity as net assets released from restrictions by satisfaction of program restrictions.

If a restriction is fulfilled in the same time period in which the contribution is received, Jones Alternative, Inc. reports the support as unrestricted. Jones Alternative, Inc. uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. At December 31, 2024, Jones Alternative, Inc. had no outstanding unconditional promises to give.

In-kind Contributions

In-kind contributions are reflected as contributions at fair value at the date of the donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. Historically, contributed services were provided by related parties on an as needed basis. There were no revenues for goods or services contributed in-kind to Jones Alternative, Inc. for the year ended December 31, 2024.

Functional Expenses

The cost of providing various programs and supporting services have been summarized on a functional basis in the accompanying Statement of Activities. Accordingly, certain costs have been allocated between program and supporting services benefited. The allocation methodology is generally based on benefits derived by the program and supporting services for salaries, related payroll expenses, and other program and support services identified. Expenditures that benefit only program services are charged directly to program services.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

Jones Alternative, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions. It has been classified as an organization that is not a private foundation under Section 509(a)(2) of the Internal Revenue Code and, as such, contributions to Jones Alternative, Inc. qualify for deduction as charitable contributions. However, any income generated from activities unrelated to Jones Alternative, Inc.'s exempt purpose is subject to tax under IRC Section 511. Jones Alternative, Inc. had no unrelated business income and no uncertain tax positions for the year ended December 31, 2024.

Accordingly, there is no provision for income taxes in the financial statements. Jones Alternative, Inc.'s tax returns are subject to review for three years after filing. As of December 31, 2024, the returns for tax years 2021, 2022, and 2023 remain open.

New Accounting Standards

In June 2016, the FASB issued ASU 2016-13, Financial Instruments -- Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is often referred to as the CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration.

Jones Alternative, Inc. adopted ASU 2016-13 on January 1, 2024. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only.

NOTE 2 - FAIR VALUE OF FINANCIAL INSTRUMENTS

Jones Alternative, Inc.'s financial instruments are primarily comprised of cash, grants receivable, accounts payable, and accrued expenses. Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of the financial statement date. The carrying amount approximates fair value because of the short maturity of these instruments. Based on these assumptions, management believes the fair market values of Jones Alternative, Inc.'s financial instruments are not materially different from their recorded amounts as of December 31, 2024.

NOTE 3 - ECONOMIC DEPENDENCY

Jones Alternative, Inc. receives a substantial portion of its revenue from contracts with Embrace Families, Inc. These contracts are obtained on an annual basis, with the level of funding determined annually. Revenue is recognized on a per unit of service basis. Approximately ninety-eight percent (98%) of the Organization's support is provided by Embrace Families Community-Based Care through one agreement. Any significant reduction in this level of support could have an adverse effect on the Organization's operations.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and Equipment purchased by Jones Alternative, Inc. are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives ranging from three to seven years. Charges for maintenance and repairs are charged to expenses when incurred. It is Jones Alternative, Inc.'s policy to capitalize purchases in excess of $1,000. As of December 31, 2024, property and equipment consisted of the following:

	2024
Furniture and Equipment	$ 48,802
Vehicles	188,257
Less accumulated depreciation	(53,040)
Net property and equipment	$ 184,019

Depreciation expense was $48,919 for the year ended December 31, 2024.

NOTE 5 - LEASES

Jones Alternative, Inc. leases office and three residences in Orlando for its operations. The facilities are leased under different terms, as described herein. One location has a month-to-month lease requiring a 60-day notice to terminate; the other two Orange County facilities have lease agreements with original terms of more than one year and will expire on February 28, 2027, and 2026. The leases include annual escalation clauses of $1,200 per year and a 5% annual increase, respectively.

Jones Alternative, Inc. adopted the Financial Accounting Standards Board's (FASB) Accounting Standard Update (ASU) 2016-02, Leases (Topic 842). The guidance establishes requirements for lease accounting based on the concept that leases are financing arrangements for the right to use an underlying asset. A lessee must record a lease liability and an intangible right-of-use lease asset. However, Jones Alternative, Inc. has chosen to apply the short-term lease exception to all leases lasting one year or less, as allowed by the standards. These leases are not capitalized; they are recognized on a straight-line basis over the lease term.

NOTE 5 – LEASES (continued)

Annual requirements to amortize long-term obligations and the related interest are as follows:

Year ended December 31:	Cash	Interest Expense	Minimum Payments Operating Leases	Operating Lease Expense
2025	$ 82,375	$ 3,798	$ 78,577	$ 81,030
2026	50,815	1,171	49,644	49,708
2027	7,400	25	7,375	8,826
Total	**$140,590**	**$ 4,994**	**$135,596**	**$139,564**

Operating lease costs charged to operations were $72,204 for the fiscal year that ended December 31, 2024.

Lease obligations:

	Operating
Current	$ 78,577
Long-Term	57,019
Total	**$ 135,596**

Lease terms and discount rates:
Weighted average remaining lease terms (Years):
Operating leases 1.86
Discount rate 4%

Leased assets at December 31, 2024:

Lease description	Lease Type	Classification	Net Asset Balance January 1, 2024	Additions	Asset Lease Expense	Net Asset Balance December 31, 2024
300 E Kaley St.	Operating	Building	$ 78,725	$ -	$ 35,375	$ 43,350
6253 Morning Mist Ln	Operating	Building	-	122,231	31,011	91,220
Total			**$ 78,725**	**$ 122,231**	**$ 66,386**	**$ 134,570**

Leased assets are amortized over the term of the lease.

Jones Alternative, Inc. has a month-to-month operating sublease for its operating facilities at Willamette Circle. The required rent payment is $5,500 per month, with the Organization responsible for insurance, utilities, and maintenance. Rental expenses for the year ended December 31, 2024 were $66,000.

NOTE 6 – NOTES PAYABLE

The obligation under notes payable consists of the following:

Non-interest bearing, unsecured obligation, entered into during November 2024 with a vendor, Dell Technologies. The note is due on demand.	$ 5,273
1.75% note payable to Board Member, due in Monthly installments of $185, including interest through April 1, 2033.	29,894
Non-interest-bearing, unsecured obligation, entered into during May 2022 with a Board Member, the note is due on demand.	4,426
2.75% note payable to the SBA, due in Monthly installments of $185, including interest through May 8, 2052.	40,103
Note payable to America Honda is payable in monthly installments of $907.28, including interest at 17.34% through June 2028, collateralized by the financed vehicle, a 2024 Honda Pilot.	26,936
Note Payable to Colonial Finance is payable in monthly installments of $789.83, including interest at 11% through October 2030, collateralized by the financed vehicle, a 2021 Ford Tahoe.	26,940
Non-interest-bearing, unsecured obligation, entered into during December 2024 with a Board Member, the note is due on demand.	41,759
Total debt	175,331
Less current maturities	(42,188)
Long-term debt	$ 133,143

The carrying value of the non-interest-bearing obligations are not discounted as the terms of the notes are short-term, and the fair market value approximates their carrying amount.

Loan maturities for each of the five years following December 31, 2024, are as follows:

2025	$ 42,188
2026	44,226
2027	26,750
2028	7,987
2029	4,161
Thereafter	50,019
Total	$ 175,331

NOTE 7 – COMPENSATED ABSENCES

Employees of Jones Alternative, Inc. are entitled to paid vacation, paid sick days, and personal days off, depending on job classification, length of service, and other factors. Estimating the amount of compensation for future absences is impracticable, and accordingly, no liability has been recorded in the accompanying financial statements. Jones Alternative, Inc.'s policy recognizes the costs of compensated absences when paid to employees.

NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Jones Alternative, Inc. monitors its liquidity so that it can meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. Jones Alternative, Inc. has the following financial assets that could readily be made available within one year of the balance sheet to fund expenses without limitations:

Cash and cash equivalents	$ 55,129
Accounts Receivable	211,696
	$ 266,825

In addition to financial assets available to meet general expenditures over the year, Jones Alternative, Inc. historically operates on a balanced budget. Future operations are anticipated to cover general expenditures by collecting sufficient revenues as needed.

NOTE 9 – CONTINGENT LIABILITIES

Grants

Jones Alternative, Inc. receives financial assistance in the form of grants from a pass-through entity of federal and state governmental agencies. The disbursements of funds received under these programs generally require compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of Jones Alternative Inc. However, in the opinion of Management, such disallowance of claims, if any, would not have a material effect on the overall financial position of Jones Alternative, Inc. as of December 31, 2024. Grant receivables are deemed to be fully collectible by management.

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 20, 2025, which is the date the financial statements were available to be issued. Except as noted herein, there were no other subsequent events with a financial statement impact that were recordable or requiring disclosure.

JONES ALTERNATIVE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Agency / Program	ALN/CSFA Number	Federal Expenditures ($)
U.S. Department of Health and Human Services:		
Foster Care-Title IV-E	93.658	$ 24,702
TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 24,702
State Department of Children & Families		
Passed through Community Based Care Agencies		
Out of Home Support	60.074	$ 1,361,105
		1,361,105
State Department of Children & Families		
Extended Foster Care Program	60.141	$ 2,602
		2,602
TOTAL STATE		$ 1,363,707

See accompanying notes to the Schedule

JONES ALTERNATIVE, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of State Financial Assistance includes the state financial assistance project activity of Jones Alternative, Inc. under programs of the state of Florida for the year ended December 31, 2024. The information in the Schedule is presented in accordance with the requirements of the Florida Single Audit Act (section 215.97, Florida Statutes), and the state of Florida Department of Financial Services, Chapter 691-5 Florida Administrative Code, State Financial Assistance, and Chapter 10.650, Rules of the Auditor General. Because the Schedule presents only a select portion of the operations of the system, it does not present the financial position, changes in net assets, or cash flows of Jones Alternative, Inc.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Chapter 10.650, Rules of the Auditor General, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - CONTINGENCIES

State projects are subject to financial and compliance audits by grantor agencies, which, in instances of material noncompliance, may result in disallowed expenditures and affect Jones Alternative, Inc.'s continued participation in specific projects. The amount, if any, of expenditures that may be disallowed by the grantor agencies cannot be determined at this time, although Jones Alternative, Inc. expects such amounts, if any, to be immaterial.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Jones Alternative, Inc.
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of Jones Alternative, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated August 20, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jones Alternative, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jones Alternative, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Jones Alternative, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jones Alternative, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

L. F. Harris & Associates, CPA, P.A.
Orlando, Florida
August 20, 2025

L.F. Harris & Associates, CPA, P.A.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Directors
Jones Alternative, Inc.
Orlando, Florida

Report on Compliance for Each Major State Project

***Opinion on Each Major* State Project**

We have audited Jones Alternative, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the Florida Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of Jones Alternative, Inc.'s major state projects for the year ended December 31, 2024. Jones Alternative, Inc.'s major State Projects are identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Jones Alternative, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended December 31, 2024.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Stondards*, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.650 Rules of the Auditor General. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Jones Alternative, Inc., and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major State project. Our audit does not provide a legal determination of Jones Alternative, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Jones Alternative, Inc.'s state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Jones Alternative, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance, but it is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the audit requirements of Chapter 10.650 Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Jones Alternative, Inc.'s compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the audit requirements of Chapter 10.650 Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Jones Alternative, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Jones Alternative, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the audit requirements of Chapter 10.650 Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of Jones Alternative, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the audit requirements of Chapter 10.650 Rules of the Auditor General Accordingly, this report is not suitable for any other purpose.

L.F. Harris & Associates

L.F. Harris & Associates, CPA, P.A.
Orlando, Florida
August 20, 2025

JONES ALTERNATIVE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

PART I - SUMMARY OF AUDITOR'S RESULTS

1. Financial Statements	
a) The type of Auditor's report issued on the financial statements	Unmodified
b) Internal control over financial reporting:	
i. Material weakness identified?	No
ii. Significant deficiencies identified not considered to be material weaknesses	None reported
c) Non-compliance that is material to the financial statement reported?	No
d) Internal control over major state projects:	
i. Material weakness identified?	No
ii. Significant deficiencies identified not considered to be material weaknesses?	None reported
e) Type of Auditor's report issued on compliance for major state projects	Unmodified
f) Any audit findings relative to the major federal programs	No
g) Identification of major state projects tested	State Projects Florida Department of Children and Families – Out of Home Support Program CFSA 60.074
h) Dollar threshold used to distinguish between type A and B programs State Projects	$408,332
i) Does the auditee qualify as a low-risk auditee?	Yes

PART II - FINDINGS - FINANCIAL STATEMENTS

No matters were reported for the year ended December 31, 2024.

PART III - FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS

No matters were reported for the year ended December 31, 2024.

PART IV – OTHER ISSUES

A management letter is not required because there were no findings required to be reported.

No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to State Projects.

No Corrective Action Plan is required because there were no findings required to be reported under the Florida Single Audit Act.