



**BC Eduventures Inc. and Subsidiary**

**CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2024**

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# REPORT





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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
of BCEduventures, Inc and Subsidiary

### **Opinion**

We have audited the accompanying consolidated financial statements of BCEduventures, Inc and Subsidiary (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statement of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of BCEduventures, Inc and Subsidiary 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of BCEduventures, Inc and Subsidiary 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.

### **Emphasis of Matters**

#### *Corrections of Prior Period*

As described in Note 3 to the financial statements net position beginning of the year were restated in the amount of \$57,010 due to a correction of the prior period. Our opinions were not modified with respect to these matters.

### **Responsibilities of Management for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about BCEduventures, Inc and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 BCEduventures, Inc and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BCEduventures, Inc and Subsidiary'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.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, L.L.C.

Tampa, Florida  
September 30, 2025



# CONSOLIDATED FINANCIAL STATEMENTS



**BCEduventures, Inc. and Subsidiary  
Consolidated Statement of Financial Position**

<i>December 31,</i>	<i>2024</i>
<b>Assets</b>	
Cash and cash equivalents	\$ 595,969
<b>Total assets</b>	<b>\$ 595,969</b>
<b>Liabilities and Net Assets</b>	
Liabilities	
Accounts payable	\$ 275,922
Accrued expenses	19,728
Deferred revenue	21,529
<b>Total liabilities</b>	<b>317,179</b>
Net assets	
Without donor restrictions	(8,967)
With donor restrictions	287,757
<b>Total net assets</b>	<b>278,790</b>
<b>Total liabilities and net assets</b>	<b>\$ 595,969</b>

**BCEduventures, Inc. and Subsidiary  
Consolidated Statement of Activities**

*For the year ended December 31,* 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>			
Rentals	\$ 702,956	\$ -	\$ 702,956
<b>Total revenue and other support</b>	<b>702,956</b>	<b>-</b>	<b>702,956</b>
<b>Expenses</b>			
<i>Program services</i>			
Program services	2,348,045	-	2,348,045
<i>Supporting services</i>			
General and administrative	41,491	-	41,491
<b>Total expenses</b>	<b>2,389,536</b>	<b>-</b>	<b>2,389,536</b>
Change in net assets	(1,686,580)	-	(1,686,580)
Net assets at beginning of year, as restated	1,677,613	287,757	1,965,370
Net assets at end of year	\$ (8,967)	\$ 287,757	\$ 278,790

**BCEduventures, Inc. and Subsidiary**  
**Consolidated Statement of Functional Expenses**

*For the year ended December 31, 2024*

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	Program Services	Management and General	Total
Rental expenses	\$ 2,344,475	\$ -	\$ 2,344,475
Professional services	3,570	35,871	39,441
Office postage and printing	-	5,620	5,620
<b>Total</b>	<b>\$ 2,348,045</b>	<b>\$ 41,491</b>	<b>\$ 2,389,536</b>

**BCEduventures, Inc. and Subsidiary**  
**Consolidated Statement of Cash Flows**

<i>For the years ended December 31,</i>	2024
<b>Operating Activities</b>	
Change in net assets	\$ (1,686,580)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Changes in operating assets and liabilities	
Accounts receivable	130,855
Accounts payable	(123,150)
Accrued expenses	19,728
Net cash used in operating activities	(1,659,147)
Net change in cash and cash equivalents	(1,659,147)
Cash and cash equivalents, at beginning of year	2,255,116
Cash and cash equivalents, at end of year	\$ 595,969

## **BCEducventures, Inc. and Subsidiary Notes to Consolidated Financial Statements**

### **Note 1: DESCRIPTION OF THE ORGANIZATION**

BCEducventures, Inc. (“BCEd”) began operations on July 1, 2017 to serve as a Type 1 supporting organization to The District Board of Trustees of Broward College, Florida (“Broward College”), a tax-exempt public charity under section 501 (c)(3). BCEd was established to receive, hold, invest, administer gifts, and other sources of revenue; and to make expenditures to, or for the benefit of Broward College.

Broward College, through BCEd, launched the J. David Armstrong, Jr. Student Venture Fund, led by President Emeritus Armstrong for the benefit of Broward College students who aspire to be successful entrepreneurs. The goal is to help student entrepreneurs convert their ideas into successful businesses. The Student Venture Fund provides venture funding to these student-led startups. During 2019, BCEd formed the J. David Armstrong, Jr. Student Venture Fund, LLC (the “Student Venture Fund”), a single member limited liability company, to operate the fund.

As of July 2024, BCEducventures, Inc. is no longer acting as the agent in the leasing activities of Broward College facilities. Since July 2024 all rental revenue has been collected by Broward College.

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Basis of Accounting***

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

#### ***Principles of Consolidation***

The consolidated financial statements include the accounts of BCEd and the Student Venture Fund (collectively the “Organization”). All significant intercompany balances and transactions have been eliminated in consolidation.

#### ***Use of Estimates***

The preparation of U.S. GAAP consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to contributions of non-financial assets and allocation of functional expenses.

## BC Eduventures, Inc. and Subsidiary Notes to Consolidated Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Cash and Cash Equivalents***

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

#### ***Security Deposits***

Refundable security deposits held on behalf of tenants for use of facilities are recorded as a liability.

#### ***Deferred Revenue***

Contract liabilities are reported as deferred revenue in the accompanying consolidated statement of financial position and represent resources received before revenue has been earned, which included sponsorships, rentals and other related activities collected in advance.

#### ***Net Assets***

The Organization reports information regarding its consolidated financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into during its operations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and capital assets reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the consolidated financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

## BCEduventures, Inc. and Subsidiary Notes to Consolidated Financial Statements

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### ***Revenue Recognition***

The Organization recognizes grants and contributions when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met or explicitly waived. Assets received before the barriers are overcome are accounted for as refundable advances. As of December 31, 2024, there are no conditional promises to give.

Revenue from rentals, and related activities, is recognized over the term of the agreement as the benefits are provided unless the revenue is associated with a specific event, in which case it is recognized when the event occurs. Amounts received in advance are deferred to the applicable period. Noncash contributions are recorded at their estimated fair value on the date received.

#### ***Functional Allocation of Expenses***

The costs of providing the various program and supporting services have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by functions. Expenses that can be directly identified with a program or supporting service are charged accordingly. The consolidated financial statements report certain categories of expenses that are attributed to more than one function. The expenses, including payroll, professional services, and others, are allocated based on estimates of time and effort and other methods, as determined by management.

#### ***Income Taxes***

Under section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from taxes on income other than unrelated business income. Unrelated business income results from rent, administration of self-insurance activities, and commissions.

The Organization utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the consolidated financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of December 31, 2024, the Organization has no uncertain tax positions that qualify for recognition or disclosure in the consolidated financial statements.

## BC Eduventures, Inc. and Subsidiary Notes to Consolidated Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Subsequent Events*

Management has evaluated subsequent events through the date that the consolidated financial statements were available to be issued, September 30, 2025. See Note 9 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

### Note 3: PRIOR PERIOD ADJUSTMENT

The Organization reviewed the amounts payable to Broward College in relation to rental expense and determined the balance was overstated by \$57,010. This balance is related to the rental of the Broward College facilities in which the Organization acts as an agent and collects the rental revenue. A portion of that revenue is returned to Broward College. The overstated amount relates to an error in the calculation of the amount due back to Broward College.

Beginning net assets without donor restriction as of December 31, 2023, has been adjusted as follows:

Net assets without donor restriction December 31, 2023 as previously reported	\$ 1,620,603
To increase net assets related to the change in accounts payable and rental expense	<u>57,010</u>
Restated net assets without donor restriction at December 31, 2023 as previously reported	<u><u>\$ 1,677,613</u></u>

**BCEduventures, Inc. and Subsidiary**  
**Notes to Consolidated Financial Statements**

**Note 4: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY**

The Organization maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Organization's expenditures come due. The following reflects the Organization's financial assets as of the consolidated statement of financial position date, reduced by amounts not available for general use within one year of the consolidated statement of financial position date because of contractual or donor-imposed restrictions.

<u>December 31,</u>	<u>2024</u>
Total assets at year end	\$ 595,969
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions	
Restricted by donor with time or purpose restrictions	(287,757)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 308,212</u>

**Note 5: NET ASSETS**

A summary of net assets with donor restrictions consists of the following:

<u>December 31,</u>	<u>2024</u>
Student Venture Fund	\$ 287,757
Total net assets with donor restrictions	<u>\$ 287,757</u>

**Note 6: CONCENTRATIONS**

The Organization maintains cash deposits with financial institutions at December 31, 2024 in excess of federally insured limits of \$348,375.

## BC Eduventures, Inc. and Subsidiary Notes to Consolidated Financial Statements

### Note 7: REVENUE

The Organization recognizes revenue over time for payments from rental agreements and related activities. Revenue from specific events are recognized when the event occurs. As of December 31, 2024, there are performance obligations to be satisfied of \$21,529. At December 31, 2024, management expects to recognize \$21,529 as revenue in 2025. All performance obligations at December 31, 2023 were remained obligations as of December 31, 2024. These performance obligations are based upon the completion of rental agreement terms.

The Organization's method of recognizing revenue is the input method for performance obligations to be utilized over time.

Contract assets and liabilities related to revenue from contracts with customers consists of the following:

<u>December 31,</u>	<u>2024</u>
Contract assets	
Accounts receivable, beginning of year	\$ 130,855
Accounts receivable, end of year	\$ -
Contract liabilities	
Performance obligation liabilities, beginning of year	\$ 21,529
Performance obligation liabilities, end of year	\$ 21,529

### Note 8: RELATED PARTIES

The Organization is a direct-support organization of Broward College. The Organization works with the College to maximize the College's use of facilities and assets by facilitating rental agreements for use of College facilities. The revenue share with the College represents fifty percent of the rental fee plus all direct costs. Direct costs are costs incurred by the College for the rental agreement such as administrative fees, technological fees, supplies and other costs which are charged to the customer based on the terms of the rental agreement. The Organization collects all revenue for these arrangements and the College bills the Organization for the portion of the revenue share due to the College.

Additionally, the Organization utilizes College personnel in the operations of the Organization. The personnel are employees of the College and the College bills the Organization quarterly for their time. The College personnel costs are reported under payroll expense on the statement of functional expenses.

## BCEduventures, Inc. and Subsidiary Notes to Consolidated Financial Statements

### Note 8: RELATED PARTIES (Continued)

The following is a schedule of transactions with Broward College for the year ended December 31, 2024, which are included in the consolidated statement of activities and functional expenses:

<u>For the years ended December 31,</u>	<u>2024</u>
Rental expense - paid to Broward College	\$ 2,344,475

As of December 31, 2024, there were accounts payable due to Broward College totaling approximately \$152,506.

In addition, the Organization receives financial support from various members of the Board of Directors or their affiliated organizations.

### Note 9: SUBSEQUENT EVENTS

Subsequent to year end, then management of Broward College and the Organization's Board of Directors began discussions to determine the effectiveness of the Organization's current operational structure given recent turnover within the Organization's management. During that same time frame, then management of Broward College and then management of the Organization discussed the possibility of restructuring the Organization by winding it down and transferring the assets of the Organization and the operations of the BCEduventures, Inc. to Broward College along with transferring the Student Venture Fund to Broward College Foundation, Inc. (the "Foundation"), a related DSO of Broward College. On September 30, 2025, the District Board of Trustees of Broward College approved the authorization of the dissolution of BCEduventures, Inc.



# INTERNAL CONTROL RECOMMENDATIONS





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**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 Directors  
BCEduventures, Inc. and Subsidiary

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 consolidated financial statements of BCEduventures, Inc. and Subsidiary (a nonprofit organization) (the “Organization”) which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 30, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Organization’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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as item 2024-01 that we consider to be material weaknesses.

## **Report on Compliance and Other Matters**

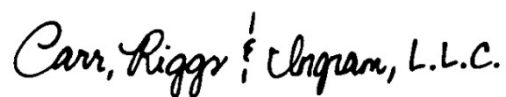
As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated 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*.

## **The Organization's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Organization's response to the findings identified in our audit and described in the accompanying schedule of findings. The Organization's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." in a cursive script.

Carr, Riggs & Ingram, LLC

Tampa, Florida  
September 30, 2025

## BCEduventures, Inc. and Subsidiary Schedule of Findings

### Section I - Financial Reporting

#### **Finding Number: 2024-01 Material Weakness (previously reported as 2023-01 and 2021-01)**

**Criteria:** Management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America.

**Condition:** Adjustments were required to be made to the accounting records subsequent to the start of the audit process to be in accordance with accounting principles generally accepted in the United States of America.

**Cause:** Due to turnover within management of the Organization and functions, the Organization's accounting policies and procedures did not allow for certain adjustments to be recorded.

**Effect:** The beginning balance of net assets without donor restriction was restated by \$57,010.

**Recommendation:** We recommend the Organization implement cross-training procedures and improve communication with external accountants and Broward College to ensure that all accounting functions and year-end closing procedures are performed timely and accurately. In addition, we recommend that the Organization reviews its accounting policies and procedures manual for all key accounting processes and enhances its monitoring and review process.

**Response:** BCEduventures, Inc. no longer oversees activities related to Broward College's rental facilities, as responsibility for these facilities has been transferred to Broward College. On September 30, 2025, the District Board of Trustees of Broward College approved the authorization of the dissolution of BCEduventures, Inc.

### Section II – Status of Prior Year Findings

#### **Finding Number: 2023-02 Material Weakness (previously reported as 2021-02)**

**Condition:** The Organization's Board of Directors did not have regular formal meetings during the year and there was turnover in key management positions. In addition, the Organization lacks a written operational plan.

**Recommendation:** We recommend that the Board of Directors institute formal meetings, appoint an individual to be responsible for recording the minutes, and to clearly document discussion topics and related decisions/approvals. Additionally, we recommend that the Board of Directors consider developing and/or updating an operational plan.

**Response:** This finding is fully corrected.