

**Homeless Services Network of Central Florida, Inc.  
Financial Statements  
June 30, 2025 and 2024  
With Independent Auditor's Reports**

**Homeless Services Network of Central Florida, Inc.**  
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## Independent Auditor's Report

To the Board of Directors of  
Homeless Services Network of Central Florida, Inc.:

### Opinion

We have audited the financial statements of Homeless Services Network of Central Florida, Inc. (the "Organization"), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Homeless Services Network of Central Florida, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") 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 Homeless Services Network of Central Florida, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Organization's ability to continue as a going concern within one year after the date 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 GAAS and *Government 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 GAAS and *Government 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 the Organization'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 the Organization'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.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2026 on our consideration of Homeless Services Network of Central Florida, 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 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 Homeless Services Network of Central Florida, 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 Homeless Services Network of Central Florida, Inc.'s internal control over financial reporting and compliance.



March 17, 2026

**Homeless Services Network of Central Florida, Inc.**  
**Statements of Financial Position**  
**June 30, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 337,715	\$ 754,414
Investments	167,401	300,500
Grants receivable	1,773,738	567,861
Unbilled revenues	5,123,164	4,819,497
Prepaid expenses	55,024	10,300
Property and equipment, net	241,728	297,198
Right-of-use assets, operating, net	457,664	527,572
<b>Total assets</b>	<b>\$ 8,156,434</b>	<b>\$ 7,277,342</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 1,715,593	\$ 480,300
Due to subreipients	3,587,724	3,404,900
Note payable	-	43,240
Deferred revenue	268,537	381,219
Right-of-use liability - operating	472,079	541,475
<b>Total liabilities</b>	<b>6,043,933</b>	<b>4,851,134</b>
<b>Net assets</b>		
Net assets without donor restrictions	1,946,950	2,217,634
Net assets with donor restrictions	165,551	208,574
<b>Total net assets</b>	<b>2,112,501</b>	<b>2,426,208</b>
<b>Total liabilities and net assets</b>	<b>\$ 8,156,434</b>	<b>\$ 7,277,342</b>

The Notes to Financial Statements are an integral part of these statements.

**Homeless Services Network of Central Florida, Inc.**  
**Statement of Activities**  
**Year Ended June 30, 2025**

	Without Donor Restriction	With Donor Restriction	Total
<b>Support and revenues</b>			
<b>Support</b>			
Federal contracts	\$ 20,797,519	\$ -	\$ 20,797,519
State contracts	2,938,068	-	2,938,068
Local and jurisdictional support	5,114,926	-	5,114,926
<b>Total support</b>	<b>28,850,513</b>	<b>-</b>	<b>28,850,513</b>
<b>Revenues</b>			
Other income	356,880	-	356,880
Investment income	18,730	-	18,730
	<b>375,610</b>	<b>-</b>	<b>375,610</b>
<b>Net assets released from restrictions</b>			
Satisfaction of purpose restriction	43,023	(43,023)	-
<b>Total support and revenues</b>	<b>29,269,146</b>	<b>(43,023)</b>	<b>29,226,123</b>
<b>Expenses</b>			
<b>Program services</b>			
Continuum of Care	13,775,307	-	13,775,307
Veterans Administration	6,264,691	-	6,264,691
State of Florida Department of Children and Families	2,364,884	-	2,364,884
Temporary Assistance for Needy Families	46,775	-	46,775
Department of Children and Families Emergency Solutions Grant	240,248	-	240,248
Department of Children and Families Rapid Unsheltered Survivor Housing Grant	193,196	-	193,196
Orange County Emergency Solutions Grant	60,598	-	60,598
City of Orlando Emergency Solutions Grant	36,383	-	36,383
Seminole County Emergency Solutions Grant	19,717	-	19,717
City of Orlando American Rescue Plan Act	426,110	-	426,110
Local and Jurisdictional Programs	5,181,892	-	5,181,892
State of Florida General Revenue	590,027	-	590,027
Other Private Foundations	87,181	-	87,181
<b>Total program services</b>	<b>29,287,009</b>	<b>-</b>	<b>29,287,009</b>
<b>Supporting services</b>			
Management and general	252,821	-	252,821
<b>Total expenses</b>	<b>29,539,830</b>	<b>-</b>	<b>29,539,830</b>
<b>Changes in net assets</b>	<b>(270,684)</b>	<b>(43,023)</b>	<b>(313,707)</b>
<b>Net assets</b>			
Beginning of year	2,217,634	208,574	2,426,208
<b>End of year</b>	<b>\$ 1,946,950</b>	<b>\$ 165,551</b>	<b>\$ 2,112,501</b>

The Notes to Financial Statements are an integral part of this statement.

**Homeless Services Network of Central Florida, Inc.**  
**Statement of Activities**  
**Year Ended June 30, 2024**

	Without Donor Restriction	With Donor Restriction	Total
<b>Support and revenues</b>			
<b>Support</b>			
Federal contracts	\$ 17,630,624	\$ -	\$ 17,630,624
State contracts	736,201	-	736,201
Local and jurisdictional support	5,483,671	-	5,483,671
<b>Total support</b>	<b>23,850,496</b>	<b>-</b>	<b>23,850,496</b>
<b>Revenues</b>			
Other income	246,858	-	246,858
Investment income	12,480	-	12,480
	<b>259,338</b>	<b>-</b>	<b>259,338</b>
<b>Net assets released from restrictions</b>			
Satisfaction of purpose restriction	1,186,382	(1,186,382)	-
<b>Total support and revenues</b>	<b>25,296,216</b>	<b>(1,186,382)</b>	<b>24,109,834</b>
<b>Expenses</b>			
<b>Program services</b>			
Continuum of Care	10,198,189	-	10,198,189
Veterans Administration	6,278,893	-	6,278,893
State of Florida Department of Children and Families	458,884	-	458,884
Temporary Assistance for Needy Families	49,200	-	49,200
Department of Children and Families Emergency Solutions Grant	688,741	-	688,741
Orange County Emergency Solutions Grant	129,969	-	129,969
Housing Opportunities for Persons with HIV/AIDS	109,071	-	109,071
City of Orlando Emergency Solutions Grant	675	-	675
City of Orlando Community Development Block Grant	39,899	-	39,899
Seminole County Emergency Solutions Grant	7,504	-	7,504
City of Orlando American Rescue Plan Act	152,209	-	152,209
Seminole County American Rescue Plan Act	16,987	-	16,987
Local and Jurisdictional Programs	4,956,923	-	4,956,923
State of Florida General Revenue	377,607	-	377,607
Other Private Foundations	1,430,807	-	1,430,807
<b>Total program services</b>	<b>24,895,558</b>	<b>-</b>	<b>24,895,558</b>
<b>Supporting services</b>			
Management and general	209,430	-	209,430
<b>Total expenses</b>	<b>25,104,988</b>	<b>-</b>	<b>25,104,988</b>
<b>Changes in net assets</b>	<b>191,228</b>	<b>(1,186,382)</b>	<b>(995,154)</b>
<b>Net assets</b>			
Beginning of year	2,026,406	1,394,956	3,421,362
<b>End of year</b>	<b>\$ 2,217,634</b>	<b>\$ 208,574</b>	<b>\$ 2,426,208</b>

The Notes to Financial Statements are an integral part of this statement.

**Homeless Services Network of Central Florida, Inc.  
Statement of Functional Expenses  
Year Ended June 30, 2025**

	Department of Children and Families															Total
	Continuum of Care	Veterans Administratic	State of Florida Department of Children and Families	Temporary Assistance for Needy Families	Department of Children and Families Emergency Solutions Grant	Rapid Unsheltered Survivor Housing Grant	Orange County Emergency Solutions Grant	City of Orlando Emergency Solutions Grant	Seminole County Emergency Solutions Grant	City of Orlando American Rescue Plan Act	Local and Jurisdictional Programs	State of Florida General Revenue	Other Private Foundations	Management and General		
Salary and wages	\$1,782,541	\$ 640,688	\$ 151,622	\$ 1,078	\$ 4,725	\$ -	\$ 23,939	\$ 29,885	\$ 16,515	\$ 158,936	\$ 1,056,899	\$ 152,176	\$ 5,912	\$ 19,673	\$4,044,589	
Contractors' pay	32,760	-	-	-	-	-	-	-	-	5,549	-	24,241	33	12,084	74,667	
Employee benefits	271,398	89,139	21,516	192	566	-	-	4,208	1,943	22,195	128,914	26,249	1,192	7,136	574,648	
Payroll taxes	143,353	52,070	12,369	82	382	-	1,606	2,290	1,246	13,073	83,400	12,321	427	452	323,071	
Hiring cost	1,707	416	192	-	-	-	-	-	-	3,840	2,378	-	-	1,004	9,537	
Conference and training	98,060	1,691	10,198	-	-	-	-	-	-	4,942	3,223	72,917	1,842	-	192,873	
Computer network software	41,526	11,176	11,444	-	-	-	-	-	-	-	11,525	858	-	-	76,529	
HMIS license	250,177	18,059	25,078	-	3	-	-	-	-	-	20,714	1,025	6	-	315,062	
Insurance	20,052	4,075	5,376	-	-	-	-	-	-	-	4,114	595	-	-	34,212	
Office supplies	6,064	2,162	2,148	-	1	-	-	-	-	2,467	9,121	546	89	36,212	58,810	
Postage and shipping	17,237	693	-	-	489	-	-	-	-	-	7,589	-	19	-	26,027	
Printing and publications	811	170	198	-	-	-	-	-	-	-	170	60	-	-	1,409	
Professional fees	126,133	37,502	89,842	-	-	2,600	-	-	-	214,530	34,107	20,145	-	-	524,859	
Rent expenses - office	104,676	21,001	26,486	-	-	-	-	-	-	-	21,610	2,691	-	512	176,976	
Rent expense - other	10,910	2,120	2,863	-	-	-	-	-	-	-	2,186	285	-	-	18,364	
Repairs and maintenance	9,727	2,010	2,459	-	-	-	-	-	-	-	5,311	548	-	254	20,309	
Advertising	318	-	-	-	-	-	-	-	-	-	-	9,968	150	-	10,436	
Telephone fax expenses	7,996	275	363	-	-	-	-	-	-	-	529	42	-	-	9,205	
Travel local mileage	4,863	1,921	72	-	-	-	-	-	13	12	2,135	119	37	66	9,238	
Travel air and lodging	9,872	6,379	43	-	-	-	-	-	-	387	38	14,610	-	500	31,829	
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	55,470	55,470	
Other expenses	2,670	2,019	167,311	-	26,389	-	35,053	-	-	179	13,969	250,631	791	73,069	572,081	
Client services	10,832,456	5,371,125	1,835,304	45,423	207,693	190,596	-	-	-	-	3,773,960	-	76,683	46,389	22,379,629	
<b>Total</b>	<b>\$13,775,307</b>	<b>\$6,264,691</b>	<b>\$2,364,884</b>	<b>\$ 46,775</b>	<b>\$ 240,248</b>	<b>\$ 193,196</b>	<b>\$ 60,598</b>	<b>\$ 36,383</b>	<b>\$ 19,717</b>	<b>\$ 426,110</b>	<b>\$ 5,181,892</b>	<b>\$ 590,027</b>	<b>\$ 87,181</b>	<b>\$ 252,821</b>	<b>\$29,539,830</b>	

The Notes to Financial Statements are an integral part of this statement.

**Homeless Services Network of Central Florida, Inc.  
Statement of Functional Expenses  
Year Ended June 30, 2024**

	Continuum of Care	Veterans Administrati	State of Florida Department of Children and Families	Temporary Assistance for Needy Families	Department of Children and Families Emergency Solutions Grant	Orange County Emergency Solutions Grants	Housing Opportunitie for Persons with HIV/AIDS	City of Orlando Emergency Solutions Grant	City of Orlando Community Developmen Block Grant	Seminole County Emergency Solutions Grant	City of Orlando American Rescue Plan Act	Seminole County American Rescue Plan Act	Local and Jurisdiction Program	State of Florida General Revenue	Other Private Managemen Foundations and General	Total	
Salary and wages	\$1,276,182	\$557,534	\$180,785	\$ 1,152	\$ 37,622	\$ -	\$ 12,476	\$ -	\$ -	\$ 6,404	\$ 67,263	\$ 12,980	\$1,025,092	\$208,066	\$157,453	\$ 27,009	\$3,570,018
Contractors' pay	9,104	48	1	-	1	-	12	-	-	-	32	-	218	15,591	2,592	-	27,599
Employee benefits	157,000	82,685	21,903	41	2,994	-	2,197	-	-	619	9,169	1,971	131,910	28,517	30,513	559	470,078
Payroll taxes	105,484	45,235	14,747	97	2,994	-	922	-	-	481	5,478	912	81,620	17,247	12,550	1,058	288,825
Hiring cost	1,304	217	-	-	5	-	3	-	-	-	70	-	929	73	16	5	2,622
Conference and training	25,744	1,719	-	-	61	-	115	-	-	-	2,786	-	7,558	8,114	5,690	87	51,874
Computer network software	23,935	19,754	591	-	766	-	18	-	-	-	23,655	-	17,423	7,721	1,019	678	95,560
HMSIS license	178,573	28,284	9,257	-	22,521	-	18	-	-	-	-	-	32,525	3,984	1,171	5,100	281,433
Insurance	10,328	9,707	-	-	249	-	-	-	-	-	-	-	8,464	1,987	590	5,074	36,399
Office supplies	4,275	2,242	10	-	62	-	7	675	-	-	869	-	2,419	610	154	235	11,558
Postage and shipping	18,010	26	-	-	791	-	396	-	-	-	268	-	7,602	-	793	1	27,887
Printing and publications	758	737	-	-	22	-	4	-	-	-	-	-	692	108	56	35	2,412
Professional fees	197,058	35,136	44,969	124	2,235	-	1,215	-	-	-	34,700	-	29,939	63,875	22,637	13,169	445,057
Rent expenses - office	50,409	45,277	-	-	1,145	-	738	-	-	-	-	-	39,537	10,121	2,711	3,508	153,446
Rent expense - other	5,269	4,605	-	-	123	-	7	-	-	-	-	-	4,630	1,039	294	1,044	17,011
Repairs and maintenance	4,380	3,154	-	-	73	-	1	-	-	-	-	-	3,098	1,138	250	129	12,223
Advertising	-	-	-	-	-	-	-	-	-	-	7,816	-	3,250	5,965	-	553	17,584
Telephone fax expenses	7,496	602	-	-	15	-	-	-	-	-	-	-	525	128	36	348	9,150
Travel local mileage	4,185	1,735	20	-	-	-	48	-	-	-	82	20	2,424	502	785	108	9,909
Travel air and lodging	7,860	2,892	143	-	-	-	102	-	-	-	21	-	4,391	1,105	127	-	16,641
Other expenses	706	660	11,429	363	9,794	96,026	-	-	30,643	-	-	1,104	9,376	1,413	31,252	138,696	331,462
Client services	8,110,129	5,436,644	175,029	47,423	607,268	33,943	90,792	-	9,256	-	-	-	3,543,301	303	1,160,118	12,034	19,226,240
<b>Total</b>	<b>\$10,198,189</b>	<b>\$6,278,893</b>	<b>\$458,884</b>	<b>\$ 49,200</b>	<b>\$688,741</b>	<b>\$129,969</b>	<b>\$109,071</b>	<b>\$ 675</b>	<b>\$ 39,899</b>	<b>\$ 7,504</b>	<b>\$152,209</b>	<b>\$ 16,987</b>	<b>\$4,956,923</b>	<b>\$377,607</b>	<b>\$1,430,807</b>	<b>\$209,430</b>	<b>\$25,104,988</b>

The Notes to Financial Statements are an integral part of this statement.

**Homeless Services Network of Central Florida, Inc.**  
**Statements of Cash Flows**  
**Years Ended June 30, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
<b>Operating activities</b>		
Change in net assets	\$ (313,707)	\$ (995,154)
<b>Adjustments to reconcile change in net assets to net cash used in operating activities</b>		
Depreciation	55,470	21,514
Bad debt expense	115,164	248,398
Amortization of operating right-of-use assets	69,908	66,437
Unrealized gain on investments	(16,281)	(137,603)
Realized loss on sale of investments	7,313	148,553
<b>Change in operating assets</b>		
Grants receivable	(1,321,041)	474,579
Unbilled revenues	(303,667)	(91,150)
Prepaid expenses	(44,724)	(3,279)
<b>Change in operating liabilities</b>		
Accounts payable and accrued expenses	1,235,293	(2,338,044)
Due to subrecipients	182,824	872,587
Deferred revenue	(112,682)	126,720
Lease liabilities - operating	(69,396)	(64,981)
<b>Net cash used in operating activities</b>	<u>(515,526)</u>	<u>(1,671,423)</u>
<b>Investing activities</b>		
Purchase of property and equipment	-	(31,097)
Purchase of investments	(169,788)	(12,217)
Proceeds from sale of investments	311,855	1,577,828
<b>Net cash provided by investing activities</b>	<u>142,067</u>	<u>1,534,514</u>
<b>Financing activities</b>		
Payments on Paycheck Protection Program note payable	(43,240)	(45,785)
<b>Net cash used in financing activities</b>	<u>(43,240)</u>	<u>(45,785)</u>
<b>Net change in cash and cash equivalents</b>	(416,699)	(182,694)
<b>Cash and cash equivalents</b>		
Beginning of year	754,414	937,108
<b>End of year</b>	<u>\$ 337,715</u>	<u>\$ 754,414</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for interest	<u>\$ 10,391</u>	<u>\$ 705</u>

The Notes to Financial Statements are an integral part of these statements.

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024**

**1. Nature of Operations**

Homeless Services Network of Central Florida, Inc. (the "Organization") is a Florida not-for-profit organization providing support to over 110 social service and governmental agencies in the Central Florida area. The Organization advocates for the creation of a comprehensive and integrated system of services to homeless persons in the Central Florida area. Support for the Organization's services consists primarily of government grants.

**2. Summary of Significant Accounting Policies**

**a. Use of Estimates**

In preparing the financial statements, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**b. Basis of Presentation**

The Organization prepares its financial statements under the guidance of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, *Not-for-Profit Entities*. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions, and net assets without donor restrictions.

**c. Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

**Net Assets Without Donor Restrictions:** Net assets that are not subject to donor-imposed stipulations. These assets may, however, be subject to Board of Directors ("Board") designation and unavailable for use at management's discretion.

**Net Assets With Donor Restrictions:** Net assets that are subject to donor-imposed stipulations. These stipulations either require the Organization to maintain the net asset permanently, generally permitting all or part of the income earned on related assets be used for general or specific purposes or be met either by the completion of a stipulated action and/or the passage of time. As of June 30, 2025 and 2024, the Organization does not have any assets that are required to be maintained permanently.

Contributions received with donor-imposed restrictions that are met in the same year as they are received are reported as without donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions, increasing that net asset class.

**d. Cash and Cash Equivalents**

For the purpose of the statements of cash flows, the Organization considers all short-term debt securities purchased with an original maturity of three months or less to be cash equivalents.

**e. Investments**

Investments in securities with readily determinable values and all investments in debt securities are measured at fair value in the statements of financial position. Donated investments are recorded at the fair value at the date of receipt. Gains and losses, both realized and unrealized, resulting from increases or decreases in the fair value of investments, are reflected in the statements of activities as increases or decreases in net assets without donor restrictions unless the use was restricted by explicit donor stipulations or by law.

Purchases and sales of securities are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date, and interest income is recorded on an accrual basis.

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024**

**f. Donated Materials, Facilities, Services**

Contributed services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contributions. Contributed materials and facilities are recorded at their fair value at the date of the gift.

The estimated fair value of contributed materials, facilities, and services is reflected as support and expenses in the accompanying statements of activities and statements of functional expenses in the period in which the materials, facilities, and services are received.

**g. Grants Receivable**

Grants receivable are stated at net realizable value. The Organization's receivables are charged to bad debt expense when they are determined to be uncollectible based upon periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require the allowance method to be used to recognize bad debts. During the years ended June 30, 2025 and 2024, the Organization wrote off grants receivable of \$115,164 and \$248,398, respectively, which is included in other expenses on the accompanying statements of functional expenses. No allowance has been established at June 30, 2025, as management believes all amounts are collectible.

**h. Unbilled Revenues**

Unbilled revenues consist of grant expenditures incurred but not yet billed to the federal, local, and jurisdictional agencies as of June 30, 2025 and 2024.

**i. Property and Equipment**

The Organization's policy is to capitalize purchases of property and equipment for replacement and betterments that extend their useful lives. Property and equipment are capitalized at cost less accumulated depreciation when purchased or at fair value at the date of gift, if donated. Donated assets are classified as unrestricted unless specifically restricted by the donor. Depreciation is provided based on the straight-line method applied over the estimated useful lives of the fixed assets as follows:

	<u>Estimated Life (Years)</u>
Furniture and equipment	7
Computers	7
Leasehold improvements	10

When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts. Maintenance, repairs, and minor renewals are charged to operations as incurred. Management assesses property and equipment for impairment on an as needed basis. No impairment loss was recorded for the years ended June 30, 2025 and 2024.

**j. Leases**

The Organization categorizes leases with contractual terms longer than twelve months as either operating or finance. Finance leases are generally those leases that allow the Organization to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases. Leases with contractual terms of 12 months or less are not recorded on the statements of financial position.

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024**

Certain lease contracts include obligations to pay for other services, such as operations, property taxes, and maintenance. For leases of property, the Organization accounts for these other services as a component of the lease. The services are accounted for separately and payments are allocated to the lease and other service components based on estimated stand-alone prices.

Lease liabilities are recognized at the present value of the fixed lease payments using a discount rate based on the risk-free rate. Right-of-use assets are recognized based on the initial present value of the fixed lease payments plus any direct costs from executing the leases. Lease assets are tested for impairment in the same manner as long-lived assets used in operations.

Options to extend lease terms, terminate lease before the contractual expiration date, or purchase the leased assets, are evaluated for their likelihood of exercise. If it is reasonably certain that the option will be exercised, the option is considered in determining the classification and measurement of the lease.

Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease. Finance lease assets are amortized on a straight-line basis over the shorter of the estimated useful lives of the assets or the lease term. The interest component of a finance lease is included in interest expense and recognized using the effective interest method over the lease term. The Organization had no finance leases for the years ended June 30, 2025 or 2024.

**k. Income Taxes**

The Organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code ("IRC"). The Organization is subject to a tax on income from any unrelated business. The Organization has adopted the recognition requirements for uncertain income tax positions as required by accounting principles generally accepted in the United States of America. Income taxes are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, changes in net assets, or cash flows. Accordingly, the Organization has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at June 30, 2025 and 2024.

**l. Concentration of Credit Risk**

Financial instruments which potentially subject the Organization to concentrations of credit risk, as defined by accounting principles generally accepted in the United States of America, consist primarily of bank deposits and grants receivable. The Organization has significant cash balances at financial institutions which throughout the year can exceed federally insured limits. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Organization's financial condition, results of operations, and cash flows.

The Organization monitors the collectability of its grants receivable and pursues collection. Management routinely assesses the uncollectability of the Organization's grants receivable and provides for allowances for doubtful accounts based on this assessment, if necessary. The Organization considers all grants collectible.

**m. Fair Value Measurements**

FASB ASC 820, *Fair Value Measurements and Disclosures* establishes a framework for measuring fair value under U.S. GAAP and enhances disclosures about fair value measurements. Fair value is defined under ASC 820 as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

ASC 820 provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
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The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

*Level 1* - Valuation is based upon quoted prices for identical instruments traded in active markets.

*Level 2* - Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

*Level 3* - Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect one's estimates of assumptions that a market participant would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models, and similar techniques.

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

The following is a description of the valuation methodologies used for the Organization's investments measured at fair value. There have been no changes in the methodologies used for periods presented in these financial statements.

*Equity Funds*: Measured at the value of the quoted market prices.

*Corporate and Government Bonds*: Value based on the last trade price of the fiscal year. When the bond has not been traded on the last day of the fiscal year, the price is obtained from an independent third-party pricing company.

**n. Functional Allocation of Expenses**

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. A portion of general and administrative costs that benefit multiple functional areas (indirect costs) have been allocated across program and supporting services based on estimated time spent by employees involved with those areas. Other general and administrative expenses, including rent, are allocated based on the amount of estimated time the Organization spends utilizing owned and leased property for each program and supporting service.

**o. Revenue Recognition**

*Grants and Contributions*

Revenue from government grants designated for use in specific activities is recognized in the period in which the expenditures have been incurred in compliance with the grantor's restrictions. Revenue from these grants is recognized only to the extent of expenditures incurred under the terms of the grant. Grants received in excess of revenue recognized are recorded as deferred revenue.

Contributions, including unconditional promises to give, are recorded as made. All contributions are reported as increases in net assets without donor restrictions, unless specifically restricted by the donor. All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction is satisfied or expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Unconditional promises to give due within one year are recorded at their net realizable value. Unconditional promises to give due after one year are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. There were no promises to give at June 30, 2025 and 2024.

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024**

**p. Accounting Pronouncement Adopted in Current Year**

In July 2025, the Financial Accounting Standards Board (“FASB”) issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The new standard, which is effective for annual reporting periods beginning after December 15, 2025, with early adoption permitted, provides a simplified approach for measuring expected credit losses on current accounts receivable and current contract assets accounted for under Topic 606.

The Organization has early adopted ASU 2025-05 prospectively as of beginning of annual reporting period, July 1, 2024.

**q. Subsequent Events**

The Organization’s management evaluated events that occurred after June 30, 2025 through March 17, 2026, the date when the financial statements were available to be issued. Based upon this evaluation, except as disclosed in Note 13, the Organization has determined that no subsequent events have occurred which require adjustment to or disclosure in the financial statements.

**3. Investments**

Investments consist of the following at June 30, 2025 and 2024:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Equity funds	\$ 19,621	\$ 23,566	\$ 40,389	\$ 42,782
Corporate and government bonds	144,564	143,835	274,636	257,718
	<u>\$ 164,185</u>	<u>\$ 167,401</u>	<u>\$ 315,025</u>	<u>\$ 300,500</u>

Investment income consists of the following for the years ended June 30, 2025 and 2024:

	2025	2024
Interest and dividend income	\$ 9,762	\$ 23,430
Realized loss on sale of investments	(7,313)	(148,553)
Unrealized gain	16,281	137,603
	<u>\$ 18,730</u>	<u>\$ 12,480</u>

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024**

**4. Grants Receivable**

Grants receivable represents funds due under grants as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
State of Florida Department of Children and Families	\$ 1,438,534	\$ 451,037
State of Florida Department of Commerce	322,230	-
Local and jurisdictional programs	12,974	116,824
	<u>\$ 1,773,738</u>	<u>\$ 567,861</u>

The amounts are due within one year.

**5. Unbilled Revenues**

Unbilled revenues consist of expenditures incurred but not yet billed to grants as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Continuum of Care	\$ 2,172,004	\$ 1,408,975
Veterans Administration	2,065,188	2,586,591
Local and jurisdictional programs	885,972	823,931
	<u>\$ 5,123,164</u>	<u>\$ 4,819,497</u>

**6. Property and Equipment**

Property and equipment consist of the following for the years ended June 30, 2025 and 2024.

	<u>2025</u>	<u>2024</u>
Furniture and equipment	\$ 36,617	\$ 36,617
Computers	13,772	13,772
Leasehold improvements	282,575	282,575
Less: Accumulated depreciation	(91,236)	(35,766)
	<u>\$ 241,728</u>	<u>\$ 297,198</u>

Depreciation totaled \$55,470 and \$21,514 for the years ended June 30, 2025 and 2024, respectively, and is included in management and general expenses on the accompanying statements of activities.

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024**

**7. Due to Subrecipients**

Amounts due to subrecipients at June 30, 2025 and 2024 consist of expenditures made by subrecipients prior to the fiscal year end but billed or reimbursed subsequent to fiscal year end:

	<u>2025</u>	<u>2024</u>
Continuum of Care	\$ 1,371,291	\$ 843,378
Veterans Administration	1,520,034	1,883,749
Local and jurisdictional programs	696,399	677,773
	<u>\$ 3,587,724</u>	<u>\$ 3,404,900</u>

**8. Deferred Revenue**

Deferred revenue at June 30, 2025 and 2024, totaling \$268,537 and \$381,219, respectively, consists of amounts received under various grants prior to June 30, 2025 and 2024, but not yet spent for their intended purposes.

**9. Leases**

The Organization rents office space under a noncancelable operating lease expiring in December 2030.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities as of June 30, 2025:

2026	\$ 96,762
2027	97,740
2028	98,718
2029	99,695
2030	100,707
Thereafter	50,606
<b>Gross payments due</b>	<u>544,228</u>
Less: Imputed interest	(72,149)
<b>Liability at June 30, 2025</b>	<u>\$ 472,079</u>

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024**

Lease expense and other information is comprised of the following for the year ended June 30, 2025 and 2024:

	<b>2025</b>	<b>2024</b>
<b>Operating lease expense</b>		
Amortization of right-of-use assets	\$ 69,908	\$ 66,437
Interest on lease liabilities	26,421	29,892
Short-term leases	80,647	57,117
<b>Total operating lease expense</b>	<b>\$ 176,976</b>	<b>\$ 153,446</b>
<b>Other information</b>		
<b>Cash paid for amounts included in the measurement of lease liabilities</b>		
Operating lease payments	\$ 95,818	\$ 94,874
	<b>2025</b>	<b>2024</b>
<b>Weighted-average remaining lease term (years)</b>		
Operating leases	5.5 years	6.50 years
<b>Weighted-average discount rate (%): operating lease</b>		
Operating leases	5.18%	5.18 %

**10. Net Assets With Donor Restrictions**

Net assets with donor restrictions at June 30, 2025 and 2024 consists of \$46,247 and \$46,870, respectively, in cash held for veteran programs until purpose restrictions are satisfied. In addition, net assets with donor restriction of \$119,304 and \$161,704 at June 30, 2025 and 2024, respectively, granted to the Organization to be re-granted by the Organization to other nonprofit organizations pursuing solutions to family homelessness.

**11. Contingencies**

The Organization received a substantial portion of its support from one program. A significant reduction in the level of this support may have an effect on the Organization's programs and activities.

Costs reflected in the financial statements relating to government and public-funded programs are subject to audit by the funding agency. The possible disallowance of any item charged to a program has not been determined, if any. No provision for any liability that may result has been made in the financial statements.

**12. In-Kind Contributions**

In-kind contributions are recognized in the accompanying financial statements based on their values at the time of donation. There were no in-kind contributions for the years ended June 30, 2025 and 2024.

**13. Line-of-Credit**

The Organization has a \$1,000,000 line-of-credit with a bank to be drawn upon as needed. Interest is charged at the prime rate plus 0.80% (8.3% at June 30, 2025). The line-of-credit is collateralized by substantially all of the Organization's assets with an original maturity date of April 14, 2026.

At June 30, 2025 and 2024, the Organization had no outstanding balance on this line of credit.

Subsequent to June 30, 2025, the Organization increased the line-of-credit to \$2,000,000 with a revised interest rate equal to the prime rate plus 0.50%. The line-of-credit has no stated maturity and is payable on demand, with repayment due within 30 days of the lender's demand.

**Homeless Services Network of Central Florida, Inc.**  
**Notes to Financial Statements**  
**June 30, 2025 and 2024**

**14. Note Payable**

In April 2020, the Organization issued an unsecured promissory note (the “PPP Loan”) for \$475,000 through the Paycheck Protection Program (“PPP”) established under the CARES Act and administered by the U.S. Small Business Administration (“SBA”). The PPP Loan was guaranteed by the SBA. The PPP Loan may have been forgiven, in whole or in part, if the Organization was eligible for the PPP Loan at the time of application, used the loan proceeds for eligible expenses within the defined 24-week period after the PPP Loan was disbursed (“Covered Period”), and otherwise satisfied PPP requirements. The PPP Loan was made through a bank, had a five-year term, bore interest at 1.00% per annum, and matured in March 2025. If the PPP Loan was not forgiven, monthly principal and interest payments were deferred until ten months after the end of the Covered Period, or August 2021. The PPP Loan may have been prepaid at any time prior to maturity with no prepayment penalties.

On October 15, 2021, the Organization was informed that \$314,337 of the original PPP Loan amount was partially forgiven. The note payable balance was \$0 and \$43,240 at June 30, 2025 and 2024, respectively.

**15. Retirement Plan**

The Organization has adopted a 401(k)-retirement plan covering all full-time employees above the age of 21 who have completed three months of service. Contributions to the plan are discretionary. For the years ended June 30, 2025 and 2024, the Organization contributed approximately \$80,000 and \$78,000, respectively to the plan.

**16. Financial Assets and Liquidity Resources**

As of June 30, 2025 and 2024, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses and fulfillment of liabilities, were as follows:

	<b>2025</b>	<b>2024</b>
<b>Financial assets</b>		
Cash and cash equivalents	\$ 337,715	\$ 754,414
Investments	167,401	300,500
Grants receivable	1,773,738	567,861
Unbilled revenues	5,123,164	4,819,497
<b>Total financial assets available within one year</b>	<b>7,402,018</b>	<b>6,442,272</b>
<b>Less: Amounts unavailable for general expenditure due to donor restrictions</b>		
Purpose restrictions	(165,551)	(208,574)
<b>Total financial assets and liquidity resources available within one year for general expenditure</b>	<b>\$ 7,236,467</b>	<b>\$ 6,233,698</b>

As part of the Organization’s liquidity management, it has a policy to structure its financial assets according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

## **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**

### **Independent Auditor's Report**

To the Board of Directors of  
Homeless Services Network of Central Florida, Inc.:

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 ("*Government Auditing Standards*"), the financial statements of Homeless Services Network of Central Florida, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 17, 2026.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the 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 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 Organization'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 have not been identified.

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

As part of obtaining reasonable assurance about whether the Organization'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*.

### 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 result 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.

*Withum Smith + Brown, PC*

March 17, 2026

**Homeless Services Network of Central Florida  
Single Audit Reports  
June 30, 2025  
With Independent Auditor's Report**

**Homeless Services Network of Central Florida**  
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**Report on Compliance for the Major Federal Program and State Project and Report on Internal Control Over Compliance; Report on Schedule of Expenditures of Federal Awards In Accordance With Uniform Guidance, Report on Schedule of State Financial Assistance In Accordance with Chapter 10.650, Rules of the Auditor General of the State of Florida**

**Independent Auditor's Report**

To the Board of Directors of  
Homeless Services Network of Central Florida:

**Report on Compliance for the Major Federal Program and State Project**

**Opinion on the Major Federal Program and State Project**

We have audited Homeless Services Network of Central Florida's (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget ("OMB") *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on the Organization's major federal program and state project for the year ended June 30, 2025. The Organization's major federal program and state project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program and state project for the year ended June 30, 2025.

**Basis for Opinion on the Major Federal Program and State Project**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and the audit requirements of the State of Florida Chapter 10.650, *Rules of the Auditor General of the State of Florida*. Our responsibilities under those standards and the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General of the State of Florida*, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 the major federal program and state projects. Our audit does not provide a legal determination of the Organization'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 the Organization's federal programs and state projects.

## Auditor's Responsibilities for the Audit of the 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 the Organization's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General of the State of Florida* 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 the Organization's compliance with the requirements of the major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General of the State of Florida*, 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 the Organization'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 the Organization'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 Uniform Guidance and Chapter 10.650, *Rules of the Auditor General of the State of Florida*, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 federal program 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 federal program 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 federal program 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 requirements of the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General of the State of Florida*. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Schedule of State Financial Assistance Required by Chapter 10.650, *Rules of the Auditor General of the State of Florida***

We have audited the financial statements of the Organization as of and for the years ended June 30, 2025 and 2024, and have issued our report thereon dated March 17, 2026, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and schedule of state financial assistance for the year ended June 30, 2025 are presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General of the State of Florida*, and are not a required part of the 2025 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 2025 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2025 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2025 financial statements or to the 2025 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 and schedule of state financial assistance are fairly stated in all material respects in relation to the 2025 financial statements as a whole.

A handwritten signature in blue ink that reads "Withum Smith + Brown, PC". The signature is written in a cursive, flowing style.

March 17, 2026

**Homeless Services Network of Central Florida  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025**

<u>Federal Grantor/ Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Contract Number</u>	<u>Pass Through Identifying Identifying Number</u>	<u>Amounts Provided to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b>Federal Awards:</b>					
<u>U.S. Department of Housing and Urban Development</u>					
Emergency Solutions Grant ("ESG") passed through State of Florida Department of Children and Families	14.231	N/A	GPZ47	\$ -	\$ 213,321
Emergency Solutions Grant ("ESG") passed through Orange County, Florida	14.231	N/A	2023-11-07	-	29,540
Emergency Solutions Grant ("ESG") passed through City of Orlando, Florida	14.231	N/A	2024-2025	-	44,000
Emergency Solutions Grant ("ESG") passed through Seminole County, Florida	14.231	N/A	2024-2025	-	15,000
Emergency Solutions Grant ("ESG") DCF - Rush	14.231	N/A	N/A	-	209,435
Total Emergency Solutions Grant ("ESG")				-	511,296
Continuum of Care Program ("CoC")	14.267	Various	N/A	10,832,456	13,677,605
Total for U.S. Department of Housing and Urban Development				10,832,456	14,188,901
<u>U.S. Department of Treasury</u>					
American Rescue Plan passed through City of Orlando	93.498	N/A	None	-	424,755
Total for U.S. Department of Treasury				-	424,755

The Notes to Schedule of Expenditures of Federal Awards are an integral part of this statement.

**Homeless Services Network of Central Florida  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025**

<u>Federal Grantor/ Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Contract Number</u>	<u>Pass Through Identifying Identifying Number</u>	<u>Amounts Provided to Subrecipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Health and Human Services</u>					
Temporary Assistance for Needy Families ("TANF") passed through State of Florida Department of Children and Families	93.558	N/A	None	-	46,582
Total for U.S. Department of Health and Human Services				-	46,582
<u>U.S. Department of Veterans Affairs</u>					
VA Supportive Services for Veteran Families Program ("SSVF")	64.033	Various	N/A	5,371,125	6,137,281
Total for U.S. Department of Veterans Affairs				5,371,125	6,137,281
Total expenditures of federal awards				\$ 16,203,581	\$ 20,797,519

The Notes to Schedule of Expenditures of Federal Awards are an integral part of this statement.

**Homeless Services Network of Central Florida  
Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025**

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Homeless Services Network of Central Florida, Inc. (the "Organization") under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of Homeless Services Network of Central Florida, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Organization.

**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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The amounts reported in the Schedule as expenditures may differ from certain financial reports submitted to federal funding agencies due to those reports being submitted on either a cash or modified accrual basis of accounting.

**3. Relationship to Basic Financial Statements**

Federal program expenditures are reported on the statements of activities and changes in net assets. In certain programs the expenditures reported in the basic financial statements may differ from the expenditures reported in the Schedule due to program expenditures exceeding grant or contract budget limitations, organization matching, or in-kind contributions which are not included as federal awards.

**4. Indirect Cost Rate**

The Organization does not have a federally negotiated indirect cost rate and has elected not to use the 10% de minimis cost rate.

**5. Procurement**

For the year ended June 30, 2025, the Organization is following the guidance under the OMB 2 U.S. Code of Federal Regulations Part 200 *Compliance Supplement* regarding procurement.

**Homeless Services Network of Central Florida  
Schedule of State Financial Assistance  
Year Ended June 30, 2025**

<u>State Grantor/ Pass-through Grantor/Program Title</u>	<u>State Assistance Listing Number</u>	<u>Contract Number</u>	<u>Pass Through Identifying Identifying Number</u>	<u>Passed Through To Subrecipients</u>	<u>Grant Expenditures</u>
<u>State of Florida Department of Children and Families</u>					
Homeless Challenge Grant	60.014	HMLCH	GPZ47	\$ 1,021,472	\$ 1,118,965
Homeless Challenge Plus	60.014	HMLC1-2	GPZ47	695,173	737,661
Homeless Challenge Unsheltered	60.014	HMHHO	GPZ47	<u>271,382</u>	<u>294,833</u>
Total Homeless Challenge Grant				1,988,027	2,151,459
Homeless Staffing Grant	60.021	HMLHA	GPZ47	<u>-</u>	<u>185,895</u>
Total for State of Florida Department of Children and Families				<u>1,988,027</u>	<u>2,337,354</u>
<u>State of Florida Department of Commerce</u>					
Division of Housing and Community Development	40.038	HL191	N/A	<u>250,007</u>	<u>600,714</u>
Total for State of Florida Department of Commerce					
Total expenditures of state awards				<u>\$ 2,238,034</u>	<u>\$ 2,938,068</u>

The Notes to Schedule of State Financial Assistance are an integral part of this statement.

**Homeless Services Network of Central Florida  
Notes to Schedule of State Financial Assistance  
Year Ended June 30, 2025**

**1. Basis of Presentation**

The accompanying Schedule of State Financial Assistance (the "Schedule") includes the state grant activity of the Organization for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General of the State of Florida*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Organization.

**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 the Florida Single Audit Act, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**3. Receivable from Department of Children and Families**

The Organization submits requests for reimbursement to the State of Florida Department of Children and Families on a periodic basis. At June 30, 2025, the Department of Children and Families owed the Organization \$1,438,534.

**Homeless Services Network of Central Florida  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	___X___ No
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes	___X___ None reported
Noncompliance material to financial statements noted?	_____ Yes	___X___ No

**Federal Awards and State Projects**

Internal control over major federal programs/projects:

Material weakness(es) identified?	_____ Yes	___X___ No
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes	___X___ None reported

Type of auditor's report issued on compliance for major federal program and state projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.650?	_____ Yes	___X___ No
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Identification of major federal programs and major state projects:

<b>Assistant Listing Number</b>	<b>Name of Federal Program or Cluster</b>
64.033	VA Supportive Services for Veteran Families
<b>CFSA Number(s)</b>	<b>Name of State Project</b>
60.014	Homeless Challenge Grant

Dollar threshold used to distinguish between type A and type B federal programs and state projects:	\$750,000
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Auditee qualified as low-risk auditee?	___X___ Yes	_____ No
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**Homeless Services Network of Central Florida  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2025**

**Section II - Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards***

None reported

**Section III - Federal Awards Findings and Questioned Costs**

None reported

**Section IV - Major State Project Findings and Questioned Costs**

None reported

**Section V - Prior Year Findings**

No prior year findings