

**DAYSTAR LIFE CENTER, INC.**

Financial Statements  
with  
Independent Auditors' Report

For the Years Ended August 31, 2024 and 2023

**DAYSTAR LIFE CENTER, INC.**

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August 31, 2024 and 2023

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Daystar Life Center, Inc.  
St. Petersburg, Florida

### Opinion

We have audited the accompanying financial statements of Daystar Life Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of August 31, 2024, and the related statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Daystar Life Center, Inc. as of August 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Daystar Life Center, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Daystar Life Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedure 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 Daystar Life Center, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Daystar Life Center, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Report on Summarized Comparative Information**

We have previously audited Daystar Life Center, Inc.'s 2023 financial statements, and our report dated February 19, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Melby & Associates, P.A., CPAs*

Melby & Associates, P.A., CPAs  
March 21, 2025

**DAYSTAR LIFE CENTER, INC.**

## Statements of Financial Position

August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash	\$ 87,810	\$ 143,758
Grants and awards receivable	89,390	170,633
Prepaid expenses	14,179	18,269
Inventory - donated hygiene kits	-	71,175
Total current assets	191,379	403,835
Investments	318,726	401,523
Endowment investments	948,451	805,799
Land	298,556	298,556
Property and equipment, net of accumulated depreciation	2,481,338	2,464,097
Total assets	<u>\$ 4,238,450</u>	<u>\$ 4,373,810</u>
<u>Liabilities and Net Assets</u>		
Liabilities		
Accounts payable and accrued expenses	\$ 81,056	\$ 69,059
Total current liabilities	81,056	69,059
Net Assets		
Without donor restrictions	3,047,277	3,255,859
Without donor restrictions - board designated endowments	898,451	755,799
Total net assets without donor restrictions	3,945,728	4,011,658
With donor restrictions	211,666	293,093
Total net assets	4,157,394	4,304,751
Total liabilities and net assets	<u>\$ 4,238,450</u>	<u>\$ 4,373,810</u>

See accompanying notes to financial statements.

# DAYSTAR LIFE CENTER, INC.

## Statement of Activities

Year Ended August 31, 2024  
(with comparative total for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
Support and Revenue				
Contributions and bequests	\$ 849,401	\$ 8,580	\$ 857,981	\$ 560,373
In-kind contributions	988,443	-	988,443	920,294
Fundraising events	286,929	-	286,929	281,104
Grants and awards	90,140	120,297	210,437	422,660
Interest and investment income	38,295	-	38,295	29,378
Realized and unrealized gains on investments	28,496	-	28,496	10,928
Unrealized gains on endowment funds	71,644	-	71,644	56,914
Other income	4,387	-	4,387	2,727
Loss on disposal of fixed assets	(4,113)	-	(4,113)	-
Donated services	210,231	-	210,231	213,515
Donated use of facilities	-	-	-	1,500
Total support and revenue	2,563,853	128,877	2,692,730	2,499,393
Net assets released from restrictions	143,513	(143,513)	-	-
Total support, revenue, and assets released from restrictions	2,707,366	(14,636)	2,692,730	2,499,393
Operating Expenses				
Program services	2,470,099	-	2,470,099	2,258,591
Management and general	171,791	-	171,791	174,409
Fundraising	198,197	-	198,197	197,052
Total expenses	2,840,087	-	2,840,087	2,630,052
(Decrease) in net assets	(132,721)	(14,636)	(147,357)	(130,659)
Transfer for purchase of capital assets	66,791	(66,791)	-	-
Net assets at beginning of year	4,011,658	293,093	4,304,751	4,435,410
Net assets at end of year	\$ 3,945,728	\$ 211,666	\$ 4,157,394	\$ 4,304,751

See accompanying notes to financial statements.

**DAYSTAR LIFE CENTER, INC.**

Statement of Functional Expenses

Year Ended August 31, 2024  
(with comparative total for 2023)

	Program Services	Management and General	Fundraising	2024 Total	2023 Total
Salaries and related expenses	\$ 396,390	\$ 33,184	\$ 131,178	\$ 560,752	\$ 453,568
Pension expense	15,508	789	33	16,330	26,677
Bus passes	-	-	-	-	157
Clothing	7,346	-	-	7,346	4,885
Clothing - in-kind	91,011	-	-	91,011	108,341
Depreciation	113,214	2,364	2,600	118,178	110,811
Education and training	13,286	200	2,357	15,843	3,632
Education and training - clients	(130)	-	-	(130)	130
Food	188,021	-	-	188,021	196,004
Food - in-kind	775,181	-	-	775,181	641,793
Fundraising and development	-	-	54,882	54,882	46,168
Insurance	18,315	382	421	19,118	15,831
Household items	279	-	-	279	99
Household items - in-kind	18,641	-	-	18,641	14,807
Mail costs - clients	484	-	-	484	24
Maintenance and property upkeep	37,711	787	866	39,364	22,733
Medical - client	-	-	-	-	207
Miscellaneous	1,888	815	3,670	6,373	4,172
Nutrition and financial literacy	5,960	-	-	5,960	11,773
Other client services	1,975	-	-	1,975	-
Personal hygiene	19,686	-	-	19,686	16,342
Personal hygiene - in-kind	140,989	-	-	140,989	83,303
Personal identification	1,378	-	-	1,378	6,258
Postage	545	11	23	579	1,115
Professional services	-	12,849	-	12,849	20,036
Professional services - in-kind	91,356	118,875	-	210,231	213,515
Rent - in-kind	-	-	-	-	1,500
Rent and mortgage assistance	212,594	-	-	212,594	175,646
Resources and holiday events	9,422	-	-	9,422	-
Supplies, printing, copying	33,105	697	1,048	34,850	14,510
Supplies - in-kind	-	-	197	197	876
Traveler's aid	8,540	-	-	8,540	27,465
Utilities - client	216,984	-	-	216,984	361,629
Utilities	40,144	838	922	41,904	37,853
Vehicle expense - client	-	-	-	-	471
Vehicle expense	10,276	-	-	10,276	7,721
Total	<u>\$2,470,099</u>	<u>\$ 171,791</u>	<u>\$ 198,197</u>	<u>\$2,840,087</u>	<u>\$ 2,630,052</u>

See accompanying notes to financial statements.

**DAYSTAR LIFE CENTER, INC.**

Statements of Changes in Net Assets

Years Ended August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Net assets without donor restrictions:		
Unrestricted operating support and revenue	\$ 2,563,853	\$ 2,235,130
Unrestricted operating expenses	(2,840,087)	(2,630,052)
Net assets released from restrictions	<u>143,513</u>	<u>158,767</u>
(Decrease) in net assets without donor restrictions	<u>(132,721)</u>	<u>(236,155)</u>
Net assets with donor restrictions:		
Grant allocation	120,297	258,138
Contributions	8,580	6,125
Net assets released from restrictions	<u>(143,513)</u>	<u>(158,767)</u>
(Decrease) increase in net assets with donor restrictions	<u>(14,636)</u>	<u>105,496</u>
(Decrease) in net assets	(147,357)	(130,659)
Net assets at beginning of year	<u>4,304,751</u>	<u>4,435,410</u>
Net assets at end of year	<u><u>\$ 4,157,394</u></u>	<u><u>\$ 4,304,751</u></u>

See accompanying notes to financial statements.



# DAYSTAR LIFE CENTER, INC.

## Statements of Cash Flows

Years Ended August 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Change in net assets	\$ (147,357)	\$ (130,659)
Adjustments to reconcile change in net assets to net cash (used in) operating activities		
Depreciation	118,178	110,811
Loss on disposal of fixed assets	4,613	-
Unrealized (gains) on investments and endowment funds	(114,747)	(75,084)
Donation of investments	(32,045)	(13,501)
Donation of inventory	-	(71,175)
Donation of vehicle	(30,600)	-
Decrease (increase) in grants and awards receivables	81,243	(56,308)
Decrease (increase) in prepaid expenses	4,090	(18,194)
Decrease in inventory	71,175	-
Increase in accounts payable and accrued expenses	11,997	10,880
(Decrease) in deferred revenue	-	(2,656)
Net cash (used in) operating activities	<u>(33,453)</u>	<u>(245,886)</u>
Cash flows from investing activities		
Proceeds from sale of investments	437,955	13,060
Purchase of investments	(284,135)	(192,029)
Investment income reinvested	(16,883)	(14,514)
Addition to endowment fund	(50,000)	-
Purchase of capital assets	<u>(109,432)</u>	<u>(21,609)</u>
Net cash (used in) investing activities	<u>(22,495)</u>	<u>(215,092)</u>
Net (decrease) in cash and cash equivalents	(55,948)	(460,978)
Cash and cash equivalents at beginning of year	<u>143,758</u>	<u>604,736</u>
Cash and cash equivalents at end of year	<u>\$ 87,810</u>	<u>\$ 143,758</u>
Supplemental information on non-cash transactions:		
Donation of investments	<u>\$ 32,045</u>	<u>\$ 13,501</u>
Donation of inventory hygiene kits and vehicle	<u>\$ 83,925</u>	<u>\$ 112,500</u>

See accompanying notes to financial statements.

# DAYSTAR LIFE CENTER, INC.

## Notes to Financial Statements

Years Ended August 31, 2024 and 2023

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Center and Purpose

Daystar Life Center, Inc., (the Center) was founded in August 1982 and incorporated in August 1995, as a Florida not-for-profit corporation. The Center operates primarily to provide financial assistance and other non-financial basic needs services to families and individuals who demonstrate need. The Center provides qualifying clients with rent, utility, personal identification, medical prescription, transportation, traveler's aid, food, clothing, client mail services, tax preparation assistance, advocacy, information referrals and other reasonable requests. Key to the Center's success is the value of donated services by individuals performing interviewing and other services on a volunteer basis.

#### Basis of Accounting

The financial statements of Daystar Life Center, Inc. have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require Daystar Life Center, Inc. to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the Center. These net assets may be used at the discretion of the Center's management and the board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Center or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

#### Cash Equivalents

For the purposes of reporting cash flows, the Center considers all liquid investments in money market and savings accounts with maturities of three months or less to be cash equivalents.

#### Investments and Fair Value

Investments consist of stocks and mutual funds and are carried at their fair values in the statement of financial position in accordance with current accounting literature. Donations of investments are recorded as contributions at their estimated fair value at the date of donation. Gains and losses on market value adjustments are recognized as the market fluctuates and recorded in the statement of activities. Investment earnings are recorded net of investment expenses. Investment income that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restrictions expire or are otherwise satisfied in the fiscal year in which the investment income is recognized.

# DAYSTAR LIFE CENTER, INC.

## Notes to Financial Statements

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments and Fair Value (continued)

The Center defines fair value in accordance with accounting principles generally accepted in the United States of America, which specify a hierarchy of valuation techniques. The disclosure of fair value estimates in the hierarchy is based on whether the significant inputs into the valuation are observable. In determining the level of hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect the Center's significant market assumptions.

The Center measures investments at fair value on a recurring basis. The following is a brief description of the type of valuation information (inputs) that qualifies a financial asset for each level:

Level 1 – Unadjusted quoted market prices for identical assets in active markets which are accessible by the Center.

Level 2 – Observable prices in active markets for similar assets or liabilities. Prices for identical or similar assets or liabilities in markets that are not active. Market inputs that are not directly observable but are derived from or corroborated by observable market data.

Level 3 – Unobservable inputs based on the Center's own judgment as to assumptions a market participant would use, including inputs derived from extrapolation and interpolation that are not corroborated by observable market data.

The Center evaluates the various types of financial assets to determine the appropriate fair value hierarchy based upon trading activity and the observability of market inputs.

#### Property and Equipment

Property and equipment are stated at cost if purchased or at estimated fair market value at date of receipt if acquired by gift, less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets, which range from three to thirty-nine years. Expenditures with a cost in excess of \$750 and with an estimated useful life in excess of one year are capitalized.

#### Impairment of Long-Lived Assets

The Center evaluates the recoverability of its long-lived assets whenever adverse events or changes in the business climate indicate that the expected undiscounted future cash flows from the related asset may be less than previously anticipated. If the net book value of the related assets exceeds the undiscounted future cash flows of the asset, the carrying amount would be reduced to the present value of its expected future cash flows and an impairment loss would be recognized. Management has determined that there is no indication that any long-lived assets are impaired at August 31, 2024 or 2023.

#### In-kind Contributions

Donations of food, clothing, personal hygiene products, and household goods are not recognized as revenue until the time of distribution, which is generally within a few days of the date of receipt. As a result, the Center generally does not record such gifts as inventory. During 2023 Daystar did receive a large donation of hygiene kits that were not all distributed until 2024. The kits remaining at August 31, 2023 were recorded as inventory at estimated fair market value.

# DAYSTAR LIFE CENTER, INC.

## Notes to Financial Statements

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Contributions

All contributions are available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires or are otherwise satisfied in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

#### Donated Services

The Center receives a significant amount of donated services from unpaid volunteers who assist in interviewing, general operations, fundraising and other special projects. However, these services do not require specialized skills as defined in the standards and are not recorded in the accompanying financial statements. Volunteers have contributed approximately 30,800 hours. If the criteria for recognition were met, approximately \$880,000 of additional contributions and program service expenses would be recognized in the statement of activities for the year ended August 31, 2024.

#### Income Taxes

The Center is exempt from U.S. Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been determined not to be a private foundation.

#### Functional Allocation of Expenses

The costs of providing the various programs and other activities have been reported on a functional basis in the statements of activities and functional expenses. Expenses that can be identified with a specific program or support service are charged directly to the function. Certain other costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis that is consistently applied. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method</u>
Salaries and fringe benefits	Time and effort
Depreciation, building maintenance, rent	95.8% program, 2% administrative, 2.2% fundraising
Insurance, property taxes, and utilities	95.8% program, 2% administrative, 2.2% fundraising
Computer support and security	95.8% program, 2% administrative, 2.2% fundraising
Supplies	95.8% program, 2% administrative, 2.2% fundraising

Fundraising expense in 2023 includes approximately \$43,900 for a marketing manager to develop materials to promote the mission of the Center, design materials for fundraising events, and actively manage social media accounts.

#### Reclassifications

Certain reclassifications have been made to the 2023 financial statements to be in conformity with the 2024 presentation.

# DAYSTAR LIFE CENTER, INC.

## Notes to Financial Statements

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Recent Accounting Pronouncements

In February 2016, FASB issued ASU 2016-02, *Leases*, to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about the leasing arrangements. The standard is effective for nonpublic companies for fiscal years beginning after December 15, 2021. The Center determined it had no material leases as of August 31, 2024.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### NOTE 2 - CONCENTRATION OF RISK

Financial instruments that potentially subject the Center to concentrations of credit risk consist primarily of cash. The Federal Deposit Insurance Corporation (FDIC) currently insures bank deposit accounts up to \$250,000 per depositor. As of August 31, 2024, the Center had no cash balances that exceeded the insurance coverage provided by the FDIC. As of August 31, 2024, the Center had \$25,164 of funds in the Diocesan Savings and Loan Bank which is self-insured by the Diocese of St. Petersburg but not by FDIC.

### NOTE 3 – AVAILABILITY AND LIQUIDITY

The following represents Daystar Life Center, Inc.'s financial assets available to meet general expenditures over the next 12 months as of August 31, 2024 and 2023:

Financial assets at year-end:	2024	2023
Cash	\$ 87,810	\$143,758
Grants and awards receivable	89 390	170,633
Prepaid expenses	14,179	18,269
Investments	<u>318,726</u>	<u>401,523</u>
Total financial assets	431,076	734,183
Less amounts not available to be used within one year:		
Funds subject to time and purpose restrictions	<u>(211,666)</u>	<u>(293,093)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$219,410</u>	<u>\$441,090</u>

Daystar Life Center, Inc.'s goal is generally to maintain financial assets to meet six months of operating expenses (approximately \$743,000). As part of its liquidity plan, excess cash is invested in money market accounts and investments.

# DAYSTAR LIFE CENTER, INC.

## Notes to Financial Statements

### NOTE 4 - GRANTS AND AWARDS RECEIVABLE

Grants and awards receivable consist of the following at August 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Pinellas County	\$ 1,444	\$ 1,832
ARPA	56,696	135,000
City of St. Petersburg	-	2,551
United Way Suncoast	<u>31,250</u>	<u>31,250</u>
	<u>\$89,390</u>	<u>\$170,633</u>

### NOTE 5 - INVESTMENTS

Investments consist of the following at August 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Stocks and mutual funds	<u>\$318,726</u>	<u>\$401,523</u>

The Center records all investments at fair market value, and they are classified as level 1 in the fair value hierarchy. Investment earnings during 2024 consist of the change in net unrealized gains of \$5,591, net realized (losses) of \$(8,051) and interest/dividend income of \$16,663. Investment earnings during 2023 consist of the change in net unrealized gains of \$1,524, net realized (losses) of \$(461), and interest/dividend income of \$8,699.

### NOTE 6 – ENDOWMENT INVESTMENTS

The Center has interpreted the wishes of donors and state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Center classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund is spendable and classified as net assets without donor restrictions. The Center tracks the net investment income attributable to each component of the endowment fund. Income earned from the endowment is available for general or specific purposes.

As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Center has invested endowment assets in a manner that attempts to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the value of the endowment assets. To satisfy its long-term rate of return objectives, the Center relies on a total return strategy whereby investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Center targets a diversified asset allocation.

# DAYSTAR LIFE CENTER, INC.

## Notes to Financial Statements

### NOTE 6 – ENDOWMENT INVESTMENTS (CONTINUED)

In May 2019, the Board of Directors (Board) designated \$75,000 to establish an endowment fund with the Community Foundation of Tampa Bay (CFTB). Upon making the contribution, CFTB made a \$25,000 matching contribution to the Center's endowment account. In March 2021, the Center made another \$75,000 contribution to CFTB and CFTB made another matching contribution of \$25,000. CFTB declares an annual distribution from the endowment, payable quarterly. Distributions are subject to a three-year lookback period, so the Center will be fully vested after three years. The Board previously elected not to take any distributions for the first three years. However, the Board can elect at any time to begin taking distributions to support the programs of the Center.

In May 2020, the Board of Directors (Board) designated \$500,000 to establish an endowment fund with the Pinellas Community Foundation. It is the Board's intention to maintain these funds as a long-term investment; however, the funds are available for the Center's use with Board approval.

The Center's objective is to maintain endowment assets, as well as to provide additional real growth through investment return. Composition of the endowment net assets and changes in endowment net assets are as follows:

	Without donor restrictions (Board designated)	With donor restrictions	Total
Endowment net assets August 31, 2023	\$755,799	\$50,000	\$805,799
Additional investment	50,000	-	50,000
Investment gain	<u>92,652</u>	<u>-</u>	<u>92,652</u>
Endowment net assets August 31, 2024	<u>\$898,451</u>	<u>\$50,000</u>	<u>\$948,451</u>

### NOTE 7 – FAIR VALUE MEASUREMENTS

In accordance with the Fair Value Measurements Topic of the FASB Accounting Standards Codification, the following table represents the Center's fair value hierarchy for its financial assets measured on a recurring basis.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at August 31, 2024 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Stocks and mutual funds	\$318,726	\$ -	\$ -	\$ 318,726
Endowment investments	<u>-</u>	<u>948,451</u>	<u>-</u>	<u>948,451</u>
	<u>\$318,726</u>	<u>\$948,451</u>	<u>\$ -</u>	<u>\$1,267,177</u>

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at August 31, 2023 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Stocks and mutual funds	\$401,523	\$ -	\$ -	\$ 401,523
Endowment investments	<u>-</u>	<u>805,799</u>	<u>-</u>	<u>805,799</u>
	<u>\$401,523</u>	<u>\$805,799</u>	<u>\$ -</u>	<u>\$1,207,322</u>

# DAYSTAR LIFE CENTER, INC.

## Notes to Financial Statements

### NOTE 8 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at August 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Building	\$2,359,799	\$2,359,799
Building improvements	257,489	251,653
Furniture, fixtures, and equipment	244,674	214,647
Deposits on capital assets	60,269	-
Vehicles	<u>135,780</u>	<u>112,000</u>
	3,058,011	2,938,099
Less accumulated depreciation	<u>(576,673)</u>	<u>(474,002)</u>
Net property and equipment	<u>\$2,481,338</u>	<u>\$2,464,097</u>

### NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS

At August 31, 2024 and 2023, net assets with donor restrictions consist of the following:

	<u>2024</u>	<u>2023</u>
United Way Suncoast	\$ 61,402	\$ 61,017
Emergency Food & Shelter Program	15,385	2,550
ARPA capital projects	56,696	135,000
Pinellas Community Foundation	20,922	26,962
Bayfront Health Seedlings for Neighbors	1,000	12,605
Suncoast Credit Union Kids Eat	-	4,444
St. Mary's Refugee Fund	-	515
Bacopa Bay Residents Fund	6,261	-
Community Foundation of Tampa Bay endowment funds	<u>50,000</u>	<u>50,000</u>
	<u>\$211,666</u>	<u>\$293,093</u>

### NOTE 10 - IN-KIND CONTRIBUTIONS

Components of in-kind contributions for the years ended August 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Food	\$775,181	\$641,793
Clothing	91,011	108,341
Personal items and other	88,652	170,160
Fixed assets	<u>33,599</u>	<u>-</u>
Total in-kind contributions	<u>\$988,443</u>	<u>\$920,294</u>

### NOTE 11 - DONATED SERVICES

Components of donated professional services for the years ended August 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Skilled labor	\$ 95,446	\$101,594
Accounting	76,425	70,811
Nursing	36,200	40,725
Computer consultant, grant writing, and other	<u>2,160</u>	<u>385</u>
Total donated services	<u>\$210,231</u>	<u>\$213,515</u>



## **DAYSTAR LIFE CENTER, INC.**

### **Notes to Financial Statements**

#### **NOTE 12 - RETIREMENT PLAN**

During December 2005, the Center was approved to participate in the *Archdiocese of Miami/Diocese of St. Petersburg/Diocese of Venice Pension Plan* (the “Plan”). The effective date of participation was July 1, 2001. The Plan is a non-contributory, defined benefit plan. Specific retirement benefits are paid based on years of service and other criteria. The Center incurred retirement expenses of \$16,330 and \$26,677 in 2024 and 2023, respectively.

#### **NOTE 13 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 21, 2025, the date on which the financial statements were available to be issued.