

## **Crossover Community Impact Inc. Inc.**

Independent Auditor's Report Together with Financial Statements

As of and for the Period Ended December 31, 2023

# Crossover Community Impact Inc.

## Table of Contents

---

<b>Independent Auditor’s Report</b>	<b>Page 3</b>
<b>Financial Statements</b>	
<b>Statement of Financial Position</b>	<b>Page 4</b>
<b>Statement of Activities</b>	<b>Page 5</b>
<b>Notes to Financial Statements</b>	<b>Page 6</b>

---

# INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Crossover Scholarship Fund

We have audited the accompanying financial statements of the Crossover Community Impact Inc., which comprise the statement of financial position as of December 31, 2023, the related statement of activities, and the notes to the financial statements.

## **Management's Responsibility 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; this includes 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.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crossover Scholarship Fund as of December 31, 2023, and related results of activities, cash flows, and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Parker & Co. Accounting Services*

Parker & Co. Accounting Services

May 8th, 2024

**Crossover Scholarship Fund**  
**Statement of Financial Position**  
**As of December 31, 2023**

	<u>Audited</u>	<u>Unaudited</u>
	<u>2023</u>	<u>2022</u>
Assets		
Current Assets		
Cash & Cash Equivalents	<u>137,349</u>	(606,052)
Total Current Assets	<u>137,349</u>	<u>(606,052)</u>
Total Assets	<u><u>137,349</u></u>	<u><u>(606,052)</u></u>
Liabilities		
Current Liabilities		
Scholarships Payable	<u>1,423,585</u>	-
Total Current Liabilities	<u>1,423,585</u>	<u>-</u>
Total Liabilities	<u><u>1,423,585</u></u>	<u><u>-</u></u>
Net Assets		
Beginning Net Assets	50	50
Retained Earnings	(606,102)	(416,065)
Net Revenue	<u>(680,184)</u>	<u>(190,037)</u>
Total Net Assets	<u>(1,286,236)</u>	<u>(606,052)</u>
Total Liabilities and Total Net Assets	<u><u>137,349</u></u>	<u><u>(606,052)</u></u>

*See accompanying independent auditor's report*

*The notes to the financial statements are an integral part of these statements*

## Crossover Scholarship Fund

### Statement of Activities

For the 12 months ended December 31, 2023

	<u>Audited</u>	<u>Unaudited</u>
	<u>2023</u>	<u>2022</u>
Revenue		
Donations	812,668	633,855
Total Revenue	812,668	633,855
Expenditures		
Advertising & Marketing	6,300	-
Bank Charges & Fees	26	20
CPA Transfers	1,485,676	821,322
Legal & Professional Services	-	2,350
Office Supplies & Software	850	200
Total Expenditures	1,492,852	823,892
Net Operating Revenue	(680,184)	(190,037)
Net Revenue	<u>(680,184)</u>	<u>(190,037)</u>

*See accompanying independent auditor's report*

*The notes to the financial statements are an integral part of these statement*

# Crossover Scholarship Fund

## Notes to the Financial Statements

### 1. Organization

Crossover Scholarship Fund (CSF) is a Scholarship Granting Organization that provides scholarships to 7th-12th grade students to attend Crossover Preparatory Academy. Once a student has received a scholarship, that student and his or her siblings remain eligible until high school graduation or age 21. The not-for-profit entity expends at least 90% of its revenues on school scholarships to students who meet the eligibility requirements.

### 2. Significant Accounting Policies

#### a. Basis of Accounting

The financial statements have been prepared in accordance with generally accepted accounting principles. The organization follows a calendar year that ends on December 31st.

#### b. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### c. Cash and Cash Equivalents

Cash and Cash equivalents consist of cash and highly liquid investments with an initial maturity of three months or less.

#### d. Concentration of Credit Risk

The organization maintains cash with local financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures the total deposits at these institutions up to \$250,000 per depositor. Balances maintained at these institutions have not exceeded the insured limits.

#### e. Fair Value of Financial Instruments

Statement of Financial Accounting Standards No. 107, "Disclosure about Fair Value of Financial Instruments," requires disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instrument is cash. For this financial instrument, carrying value equates to fair value.

### 3. Accounts receivable

Accounts receivable represent pledges receivable from donors. There is no provision established for amounts deemed uncollectible whereas the balance is immaterial and historical collection rates are 100%.