TSIC, Inc. d/b/a
Take Stock in Children, Inc.

Financial Statements
and Additional Information
For the Year Ended June 30, 2025

TSIC, Inc. d/b/a Take Stock in Children, Inc.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
TSIC, Inc. d/b/a Take Stock in Children, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of TSIC, Inc. d/b/a Take Stock in Children, 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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2025, 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 ("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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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.

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Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of State Financial Assistance, as required by the Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act*, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of State Financial Assistance is fairly stated, in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2026 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 the Organization's internal control over financial reporting and compliance.

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
March 25, 2026

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FINANCIAL STATEMENTS

TSIC, Inc. d/b/a Take Stock in Children, Inc.
Statement of Financial Position
June 30, 2025

Assets:		
Current assets:		
Cash	$	5,389,400
Prepaid tuition		81,713
Grant and other receivables		46,024
Total current assets		5,517,137
Noncurrent assets:		
Prepaid tuition		1,257,846
Other assets		59,463
Property and equipment		721
Endowment investments		1,068,699
Total noncurrent assets		2,386,729
Total assets	$	7,903,866
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	$	139,142
Amounts due to subrecipients		1,234,667
Refundable advances		1,929,200
Total current liabilities		3,303,009
Total liabilities		3,303,009
Net Assets:		
Without donor restrictions:		
Undesignated		1,838,079
With donor restrictions:		
Purpose and time restrictions		1,762,778
Perpetual in nature		1,000,000
Total with donor restrictions		2,762,778
Total net assets		4,600,857
Total liabilities and net assets	$	7,903,866

See accompanying notes to financial statements.

TSIC, Inc. d/b/a Take Stock in Children, Inc.
Statement of Activities
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Change in Net Assets:			
Public support and revenues:			
Grants from the State of Florida	$ 7,216,001	$ -	$ 7,216,001
Contributions and grants from private sources	2,186,839	439,284	2,626,123
Investment income, net	99,273	-	99,273
Other income	3,861	-	3,861
Total public support and revenues	9,505,974	439,284	9,945,258
Net assets released from restrictions:			
Satisfaction of purpose and time restrictions	660,306	(660,306)	-
Total public support, revenues and net assets released from restrictions	10,166,280	(221,022)	9,945,258
Expenses:			
Program services:			
Scholarship and mentoring programs	9,684,642	-	9,684,642
Supporting services:			
Management and administration	407,611	-	407,611
Fundraising	135,333	-	135,333
Total supporting services	542,944	-	542,944
Total expenses	10,227,586	-	10,227,586
Change in net assets	(61,306)	(221,022)	(282,328)
Net Assets, Beginning of Year	1,899,385	2,983,800	4,883,185
Net Assets, End of Year	$ 1,838,079	$ 2,762,778	$ 4,600,857

See accompanying notes to financial statements.

TSIC, Inc. d/b/a Take Stock in Children, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program Services	Supporting Services: Management and Administration	Supporting Services: Fundraising	Total
Information technology	$ 1,209,672	$ 1,175	$ -	$ 1,210,847
Insurance	13,111	5,960	54	19,125
Marketing and donor development	23,290	-	8,260	31,550
Mentoring and college success	5,136,688	-	-	5,136,688
Occupancy	29,055	1,146	382	30,583
Office and other expenses	56,993	6,771	2,552	66,316
Professional development and conferences	293,306	-	-	293,306
Professional services	268,383	92,544	28,548	389,475
Provision for depreciation	-	831	-	831
Salaries, payroll taxes and benefits	1,479,993	296,969	94,799	1,871,761
Scholarships	1,160,595	-	-	1,160,595
Travel	13,556	2,215	738	16,509
Total expenses	$ 9,684,642	$ 407,611	$ 135,333	$ 10,227,586

See accompanying notes to financial statements.

TSIC, Inc. d/b/a Take Stock in Children, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash Flows from Operating Activities:		
Change in net assets	$	(282,328)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		831
Realized and unrealized gain on investments, net		(86,500)
Decrease (increase) in assets:		
Grant and other receivables		73,653
Prepaid tuition, net		247,751
Other assets		(15,467)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses		(1,616)
Amounts due to subrecipients		(22,568)
Refundable advances		819,231
Net cash provided by operating activities		732,987
Cash Flows from Investing Activities:		
Proceeds from sales of investments		52,335
Purchases of investments		(25,107)
Net cash provided by investing activities		27,228
Net increase in cash		760,215
Cash, Beginning of Year		4,629,185
Cash, End of Year	$	5,389,400

See accompanying notes to financial statements.

Note 1 - Nature of the Organization

TSIC, Inc. d/b/a Take Stock in Children, Inc. (the "Organization") is an independent nonprofit corporation incorporated in the State of Florida in August 1995. The Organization's primary purpose is to provide postsecondary scholarships, volunteer mentors, college success, and career readiness program services to Florida's low-income, underrepresented students. Students begin their pathway to opportunity through education, starting in middle school through postsecondary college degree attainment to succeed in career and life. To achieve its purpose, the Organization has entered into program agreements with forty-five (45) programs covering sixty-seven (67) Florida counties. This network of regional and statewide program partners provides scholarship funds, volunteer mentors, programmatic services and advocacy and awareness. The Organization's fundraising efforts are concentrated in the State of Florida.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting: The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and 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.

Basis of presentation: Financial statement presentation follows generally accepted accounting principles in the U.S. ("U.S. GAAP") which requires the Organization to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets: Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions - Net assets available for use in general operations* and not subject to donor (or certain grantor) restrictions.

- *Net Assets With Donor Restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Note 2 - Summary of Significant Accounting Policies (continued)

All contributions are considered available for general use, unless specifically restricted by the donor or subject to other legal restrictions.

Cash and cash equivalents: The Organization considers all highly liquid investments, for general operating purposes, with a maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents as of June 30, 2025.

Promises to give: The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques using risk-adjusted discount rates. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization had no unconditional or conditional promises to give as of June 30, 2025.

Receivables and allowance for uncollectible amounts: Grants and other receivables consist principally of claims not yet reimbursed by various grantor/contract agencies. Receivable balances are unsecured. Management periodically reviews the receivable balances and provides an allowance for amounts which may be uncollectible. At June 30, 2025, management considered all of its accounts receivable balances to be collectible and no allowance was recorded. The receivables balance at June 30, 2025, was $ 46,024.

Endowment investments: Pooled investments represent ownership of a portion of a pooled investment fund maintained at The Miami Foundation. The fund invests primarily in equity, fixed income securities and alternative investments, which are recorded at estimated fair market value based upon quoted prices in markets for identical assets and/or valuations provided by the external investment managers. Realized and unrealized gains and losses are included in the accompanying statement of activities, net of direct investment expenses.

Prepaid tuition: The Organization participates in the Florida Prepaid College Foundation (the “Foundation”) - Stanley Tate "Scholarship Tuition for At-Risk Students" (STARS) Scholarship Project whereby the Organization purchases scholarship plans and pays 50% of the scholarship plan contract price. The Foundation provides a matching amount of 50% of the remaining contract price. The scholarship plans are assigned by the Organization to eligible students, defined as designated beneficiaries, who meet the standards specified in the Organization scholarship program. These scholarships are assets of the Organization until such time that designated beneficiaries have exhausted tuition credit hours. The Organization accounts for tuition credit hours and recognizes the tuition expense based on credit hours used by the designated beneficiaries. The amounts recognized by the Organization as assets and expense are based on its 50% share of the scholarship plan contract price. In the event of cancellation or termination of scholarship plans, the Organization is entitled to a refund from the Foundation based on the Organization's share of the value of the unused tuition credit hours. The State of Florida previously passed legislation allowing for the repackaging of partially used scholarships into new scholarships at the current tuition plan value.

Note 2 - Summary of Significant Accounting Policies (continued)

Leases: The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use ("ROU") assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less) and leases deemed to be below certain thresholds. Instead, the lease payments of those leases are generally reported as lease expense on a straight-line basis over the lease term. Management has evaluated the leases applicable under U.S. GAAP, and they have determined that, in the aggregate, these are not material to the financial statements. Accordingly, these financial statements do not include right-of-use assets or lease liabilities.

Property and equipment: It is the Organization's policy to capitalize all purchases and donations of property and equipment with a value in excess of $ 1,000. Property and equipment are carried at cost if purchased or, if donated, at estimated fair value on the date of donation, less accumulated depreciation. Computer, software and other equipment are depreciated on a straight-line basis over the estimated useful lives ranging from three to five years.

If donors stipulate the period of time during which the assets must be used, the contributions are recorded as support with donor restrictions, and released as restrictions expire. In the absence of such stipulations, contributions of property and equipment and gifts of cash restricted for the acquisition of property and equipment, are recorded as support without donor restrictions when the assets are placed in service.

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized. When assets are retired or otherwise disposed of, the cost or donated value and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the statement of activities for the period.

Revenue and revenue recognition: The Organization recognizes grants and contributions when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met or explicitly waived.

Grants from governmental agencies are generally billed monthly or quarterly and are derived from units of service and cost-reimbursement contracts. Units of service contract revenues are recognized when the unit of service has been provided in compliance with the specific contract. Revenue derived from cost-reimbursement contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses, are recognized when such expenditures are incurred in compliance with specific contract provisions. At June 30, 2025, revenue approximating $ 1,580,000 has not been recognized in the accompanying statement of activities because the conditions on which they depend have not yet been met. The conditions of the contributions involve serving a specific number of people, successful approval of closeout reports, among other conditions.

Refundable advances: Revenues received in advance that are not recognized because the allowable costs or other conditions, as defined by the individual grant or contract, have not been incurred, the unit of service has not been provided, and/or any other conditions of release have not been substantially met or explicitly waived are considered refundable advances. Refundable advances at June 30, 2025, were $ 1,929,200.

Note 2 - Summary of Significant Accounting Policies (continued)

Donated goods, facilities and services: Donated services are recognized, at estimated fair value, as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise have been purchased. Donated goods are recorded at their estimated fair market value when received. For the year ended June 30, 2025, the Organization did not have any contributed nonfinancial assets.

Functional allocation of expenses: The costs of providing programs and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Program and supporting services are charged with their direct expenses. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses allocated include personnel and occupancy costs, among other expenses; which are allocated on the basis of estimates of time and effort, square footage basis, as well as other methods as determined by management. The Organization utilizes various pamphlets, brochures and informational methods to inform the general public of its activities and to solicit funds. These costs are charged to fundraising.

Income taxes: The Organization is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code (the "IRC") and is therefore exempt from federal income taxation under Section 501(a) of the IRC. No provision for income taxes was recorded for the year ended June 30, 2025, since the Organization was deemed by management not to have unrelated business income. The Organization is not a private foundation under section 509(a)(1) of the IRC.

Concentrations of credit risk: The Organization's assets that are exposed to credit risk consist primarily of cash, investments, grants, and receivables. Grants and other receivables consist primarily of amounts due from various agencies, private foundations, or corporations. Historically, the Organization has not experienced significant losses related to grants and receivables, and therefore, believes that the related credit risk is minimal.

Cash - Deposits are maintained at financial institutions, and such deposits may, at times, exceed federally insured limits ("FDIC"). At June 30, 2025, cash exceeding FDIC coverage limits totaled approximately $ 5,143,000.

Investments - The Organization's endowment fund is held at The Miami Foundation, a community foundation that was created to build permanent charitable endowments in Miami-Dade County. The Organization, from time-to-time, may perform evaluations of these institutions for relative credit standing. Management may also monitor the composition and maturities of investments.

Grantors - For the year ended June 30, 2025, approximately 70% of the Organization's total revenue was derived from one grantor, the State of Florida Department of Education. The loss of this funding source could have significant impact on the Organization's operations; however, management believes that relationships with the grantor are strong and that the grant funding will continue in the foreseeable future.

Date of management review: Management has evaluated subsequent events through March 25, 2026, which is the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

Note 3 - Liquidity and Availability of Financial Assets

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial assets, at year end:		
Cash	$	5,389,400
Grant and other receivables		46,024
Investments		1,068,699
Financial assets, at year-end		6,504,123
Less: those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Purpose and time restrictions by donor		1,762,778
Perpetual restrictions by donor		1,000,000
Financial assets available to meet cash needs for general expenditures within one year and to satisfy certain current liabilities as they become due	$	3,741,345

The Organization manages liquidity through cash on hand and operating revenues from grants and contributions to support operations. The Organization also holds a $ 1,000,000 endowment restricted in perpetuity (Note 4); however, the governing documents permit requests to access the funds in emergency circumstances and are subject to approval.

Note 4 - Endowment Fund

Nature of the Fund: The Organization maintains a pooled portfolio fund at The Miami Foundation (the "Foundation"). Under the original 2011 agreement, the Foundation held and invested the fund for the benefit of the Organization and provided for quarterly distributions subject to certain thresholds. A 2015 addendum reclassified the arrangement as an Organization Reserve Fund, under which both the principal and earnings are available to the Organization in accordance with the Foundation's policies. The Addendum also removed the previous 1.25% per quarter distribution framework. The Organization may request dissolution and distribution of the fund balance (net of fees) provided it remains a qualifying public charity under the Internal Revenue Code. The ultimate decision to authorize the dissolution and distribution of the fund balance rests with the grantor.

Donor Restrictions and Presentation: At June 30, 2025, $ 1,000,000 represents a donor-restricted corpus required to be maintained in perpetuity, a donor-restriction imposed by the Helios Education Foundation.

Note 4 - Endowment Fund (continued)

Interpretation of relevant law: The Board of Directors interprets the State of Florida's Uniform Prudent Management of Institutional Funds Act ("FUPMIFA") 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 following are classified 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.

Investment policies: The goal of the investment program for the endowment is to provide support for the current expenses of the Organization. Assets held shall be diversified to control the risk of loss resulting from the overconcentration of funds in a specific maturity, issue or type/class of securities.

Spending policies: The Organization has a policy of maintaining the balance of endowment at $1,000,000 depositing and withdrawing as applicable. From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law ("underwater endowments"). The Board has interpreted FUPMIFA to permit spending from underwater endowments in accordance with prudent measures required under the law.

At June 30, 2025, the Endowment Fund assets consist of the following:

	Cost	Fair Value
Pooled investments (Note 5)	$ 1,000,000	$ 1,068,699
	$ 1,000,000	$ 1,068,699

Note 4 - Endowment Fund (continued)

The fair value of the assets held by the Miami Foundation is based on the fair value of the fund investments as reported by the Miami Foundation. These are considered Level 3 measurements.

The following table presents the endowment-related balances and activities as of and for the year ended June 30, 2025:

	Net Endowment Assets
Endowment net assets, beginning of the year	$ 1,009,426
Investment return, net	99,273
Appropriation of endowment assets pursuant to spending-rate policy	(108,699)
Endowment net assets, end of the year	$ 1,000,000

Spending policy: Under the terms of the agreement with the Miami Foundation, both the principal and earnings of the fund are currently available to the Organization. The Organization, however, is required to maintain compliance with the Helios Education Foundation's endowment/donation terms.

Note 5 - Investments

The Organization states investments at estimated fair value. At June 30, 2025, the entire balance consisted of pooled investments equal to $ 1,068,699 (Note 4).

Investments are reported in the accompanying statement of financial position as noncurrent assets because they are held within the Organization's endowment structure and are not intended for use in current operations, other than board-approved appropriations from earnings. At June 30, 2025, $ 1,000,000 of investments is donor-restricted in perpetuity and $ 68,699 represents unrestricted accumulated earnings subject to the Organization's endowment spending policy (Note 4).

Investment income relative to investments held by the Organization for the year ended June 30, 2025, is comprised of:

Net realized and unrealized gain	$	86,500
Interest and dividend income		25,110
Investment fees and other charges, net		(12,337)
	$	99,273

Fair Value Measurements: In accordance with the Financial Accounting Standards Board in its Accounting Standards Codification ("ASC") No. 820, *Fair Value Measurements*, the Organization provides certain required disclosures. ASC No. 820 establishes a fair value hierarchy that prioritizes 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 measurements involving significant unobservable inputs (Level 3 measurements).

The Organization's assets recorded at fair value on a recurring basis are categorized based on the priority of the inputs used to measure fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- Level 1 - Inputs that are observable and reflect quoted market prices (unadjusted) for identical instruments traded in active markets.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the investments, either directly or indirectly (e.g., quoted prices in active markets for similar securities, securities valuations based on commonly quoted benchmarks, interest rates and yield curves, and/or securities indices).
- Level 3 - Inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

Note 6 - Property and Equipment

Property and equipment consist of the following at June 30, 2025:

Computer, software and other equipment	$	2,738
Less: Accumulated depreciation and amortization		(2,017)
Property and equipment, net	$	721

Note 7 - Leases

The Organization leases office space and equipment under various operating lease arrangements. Management evaluated the requirements of ASC 842 and concluded that the recognition of right-of-use assets and lease liabilities would be immaterial to the financial statements as of and for the year ended June 30, 2025. Accordingly, such amounts have not been presented. Lease expense for the year was approximately $ 33,000, which the Organization reports within program and supporting services based on usage. The Organization's noncancellable lease terms extend through June 30, 2028 with periodic payments and standard renewal, termination, and common-area provisions.

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

Subject to expenditure for specified purpose:		
Scholarships	$	1,247,051
Leaders for Life program		515,727
		1,762,778
Endowment Fund (Note 4):		
Required to be held in perpetuity by donor for specified purpose:		
Helios Education Foundation		1,000,000
Total	$	2,762,778

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows:

Expiration of purpose restrictions		
Scholarships	$	224,292
Leaders for Life program		324,404
Endowment earnings for operations		111,610
Total	$	660,306

Note 9 - Employee Benefit Plan

The Organization maintains a 403(b) employee benefit plan (the "Plan") covering all employees. Under the Plan, all employees are eligible to participate after one year of employment. The Organization is required to match the employees' contributions up to a maximum of 6% of each employee's salary. The Organization recorded contributions to the Plan of approximately $ 54,000 for the year ended June 30, 2025.

Note 10 - Related Party Transactions

During the year ended June 30, 2025, the Organization recorded approximately $ 246,000 in contributions from board members and their related entities.

Note 11 - Contingencies

Grants and contracts: The Organization receives financial assistance from federal, state and local agencies in the form of grants and contracts. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by grantor agencies. As a result of such audits, the grantor agency may require that amounts be returned. As of June 30, 2025, the Organization had no amounts required to be returned on grants and contracts as a result of noncompliance.

Legal matters: The Organization is subject to claims and litigation arising in the normal course of operations. The Organization believes the outcome of any such claims, if any, should not be material to its financial position.

SUPPLEMENTAL INFORMATION

TSIC Inc. d/b/a Take Stock in Children, Inc.
Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2025

State Agency, Pass-through Entity, State Project	CSFA Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
Direct Project:				
State of Florida Department of Education:				
Mentoring/Student Assistance Initiatives	48.068	167-96445-5Q001	$ 6,125,000	$ 4,833,528
State of Florida Department of Education:				
Board of Governors: Division of Universities	48.139	167-97450-5Q001	850,000	-
State of Florida Department of Children and Families:				
Mentoring Program for At-Risk Male Students (MPARMS)	60.220	LJ237	231,334	-
State of Florida Department of Highway Safety and Motor Vehicles:				
Take Stock in Children, Inc.	76.126	-	9,667	-
Total Expenditures of State Financial Assistance			$ 7,216,001	$ 4,833,528

See notes to schedule of expenditures of state financial assistance.

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of State Financial Assistance (the "Schedule") includes the award activity of TSIC, Inc. d/b/a Take Stock in Children, Inc. (the "Organization"). The information in the Schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act.* Therefore, some amounts presented in the Schedule may differ from amounts presented in or used in the preparation of the financial statements. 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.

Note 2 - Summary of Significant Accounting Policies

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

INTERNAL CONTROLS AND COMPLIANCE

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

To the Board of Directors
TSIC, Inc. d/b/a Take Stock in Children, 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, the financial statements of TSIC, Inc. d/b/a Take Stock in Children, 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 25, 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 the 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.

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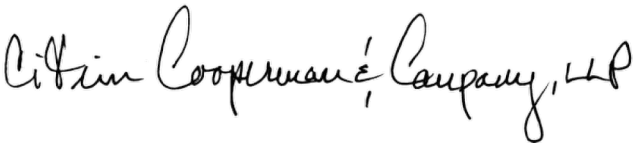
Report on Compliance and Other Matters

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



Fort Lauderdale, Florida
March 25, 2026

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

To the Board of Directors
TSIC, Inc. d/b/a Take Stock in Children, Inc.

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited TSIC, Inc. d/b/a Take Stock in Children, Inc.'s (a nonprofit organization) (the "Organization") compliance with the types of compliance requirements described in the Florida Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on the Organization's major state projects for the year ended June 30, 2025. The Organization's major state projects 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 types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended June 30, 2025.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.650*, Rules of the Auditor General, Florida Single Audit Act*. Our responsibilities under those standards and Chapter 10.650*,* 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 each major state project. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

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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 state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on 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 generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act,* 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 each major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act*, 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 Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act*, 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.

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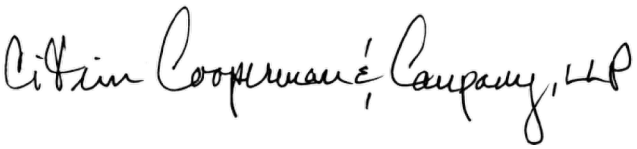
Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal controls over compliance may exist that have not been 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 Chapter 10.650, *Rules of the Auditor General, Florida Single Audit Act*. Accordingly, this report is not suitable for any other purpose.



Fort Lauderdale, Florida
March 25, 2026

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TSIC, Inc. d/b/a Take Stock in Children, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	*Unmodified Opinion*		
Internal control over financial reporting:			
Material weakness(es) identified?	_____ yes	__X__ no	
Significant deficiency(ies) identified?	_____ yes	__X__ none reported	
Noncompliance material to financial statements noted?	_____ yes	__X__ no	

State Projects

Internal control over major state projects:			
Material weakness(es) identified?	_____ yes	__X__ no	
Significant deficiency(ies) identified?	_____ yes	__X__ none reported	
Type of auditor's report issued on compliance for major state projects?	*Unmodified Opinion*		
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.656?	_____ yes	__X__ no	

Identification of major state projects:

CSFA No.	State Projects
48.068	State of Florida Department of Education Mentoring/Student Assistance Initiatives

Dollar threshold used to distinguish between Type A and Type B Projects: $ 750,000

SECTION II - FINANCIAL STATEMENT FINDINGS
None reported

SECTION III - STATE PROJECTS FINDINGS AND QUESTIONED COSTS
None reported

SECTION IV - PRIOR YEAR AUDIT FINDINGS
No prior audit findings