



Biel Fisette Iacono, LLP

Tax, Bookkeeping, Payroll, Audit & Advisory

To Management and the Board of Directors of GallantFew, Inc.:

In planning and performing our audit of the financial statements of GallantFew, Inc. as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered GallantFew, Inc.'s internal control over financial reporting (internal control) as a basis for designing auditing 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 Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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

We consider the following deficiency in GallantFew Inc.'s internal control to be material weaknesses:

- Inadequate segregation of duties – Executive director has access to bank accounts, records all transactions, and approves most transactions. This inadequate segregation of duties could create opportunities for inappropriate expenses or misappropriation of assets. Advancement is being made in this area as of late 2022, Robert McBride, CPA, is now assisting GallantFew with their bookkeeping services and financial statement presentation to the Board.

This communication is intended solely for the information and use of management, the board of directors, and others within the Company, and is not intended to be, and should not be, used by anyone other than those specified parties.

Biel Fisette Iacono, LLP

Dallas, TX

August 7, 2023

8111 LBJ Freeway
Suite 1065
Dallas, Texas 75251
(214) 691-5635 • Fax (214) 691-7201

CPA-Solution.com

GALLANTFEW, INC.
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

**GALLANTFEW, INC.
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF FUNCTIONAL EXPENSES	5
STATEMENT OF CASH FLOWS	6
NOTES TO THE FINANCIAL STATEMENTS	7



Biel Fisette Iacono, LLP

Tax, Bookkeeping, Payroll, Audit & Advisory

INDEPENDENT AUDITORS' REPORT

Board of Directors
GallantFew, Inc.
Trophy Club, Texas

We have audited the accompanying financial statements of GallantFew, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GallantFew, Inc. as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 ABC Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 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 ABC Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibility

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

8111 LBJ Freeway
Suite 1065
Dallas, Texas 75251
(214) 691-5635 • Fax (214) 691-7201

CPA-Solution.com

but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material

misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 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 ABC 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 ABC 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.

Biel Fisetto Iacono, LLP

Biel Fisetto Iacono, LLP

Dallas, Texas
August 7, 2023

GALLANTFEW, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 234,384	\$ 179,585
Accounts Receivable	1,000	17,325
Investments	6,434	7,786
Prepaid expenses	10,443	-
	\$ 252,261	\$ 204,696
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable & accrued expenses	\$ 23,126	\$ 42,909
Note payable - Paycheck protection program	0	0
	23,126	42,909
NET ASSETS		
Unrestricted	229,135	161,787
	229,135	161,787
	\$ 252,261	\$ 204,696

See accompanying notes to the financial statements.

GALLANTFEW, INC.
STATEMENT OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>		<u>2021</u>	
	<u>Unrestricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Total</u>
REVENUES				
Contributions	\$ 735,335	\$ 735,335	\$ 350,148	\$ 350,148
Program income	-	-	410,068	410,068
Miscellaneous income	34,747	34,747	86,169	86,169
Unrealized gain (loss) on investments	(1,352)	(1,352)	1,530	1,530
Interest and dividend income	1,856	1,856	104	104
Total revenue	770,586	770,586	848,019	848,019
EXPENSES				
Program services	647,766	647,766	783,495	783,495
Supporting services				
Management & general	38,049	38,049	35,101	35,101
Fundraising	17,423	17,423	18,502	18,502
Total expenses	703,238	703,238	837,098	837,098
Change in net assets	67,348	67,348	10,921	10,921
NET ASSETS AT BEGINNING OF YEAR	161,787	161,787	150,866	150,866
Net assets at end of year	<u>\$ 229,135</u>	<u>\$ 229,135</u>	<u>\$ 161,787</u>	<u>\$ 161,787</u>

See accompanying notes to the financial statements.

GALLANTFEW, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2022 AND 2021

YEAR ENDED DECEMBER 31, 2022

	<u>Supporting Services</u>			<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	
Grants and other assistance to individuals	\$208,135	\$0	\$0	\$208,135
Compensation and benefits of current officers, directors, trustees and key employees	71,979	3,999	3,999	79,977
Other salaries and wages	185,613	10,424	10,424	206,461
Payroll taxes	49,090	750	750	50,590
Pension plan contributions	6,346	353	353	7,052
Fees for accounting services	-	22,126	-	22,126
Fees for other services	2,689	-	1,500	4,189
Advertising and promotion	18,349	-	-	18,349
Office expenses	26,430	-	-	26,430
Information technology	7,555	-	-	7,555
Conferences, conventions, and meetings	8,871	-	-	8,871
Occupancy	7,141	397	397	7,935
Insurance	1,403	-	-	1,403
Cost of goods sold - T-shirt sales	54,165	-	-	54,165
	<u>\$647,766</u>	<u>\$38,049</u>	<u>\$17,423</u>	<u>\$703,238</u>

YEAR ENDED DECEMBER 31, 2021

	<u>Supporting Services</u>			<u>Total</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	
Grants and other assistance to individuals	\$301,594	\$0	\$0	\$301,594
Compensation and benefits of current officers, directors, trustees and key employees	69,873	3,882	3,882	77,637
Other salaries and wages	196,327	10,907	10,907	218,141
Payroll taxes	19,646	1,092	1,092	21,830
Pension plan contributions	5,884	327	327	6,538
Fees for accounting services	-	18,496	-	18,496
Fees for other services	5,138	-	1,500	6,638
Advertising and promotion	25,779	-	-	25,779
Office expenses	51,808	-	-	51,808
Information technology	12,587	-	-	12,587
Conferences, conventions, and meetings	13,074	-	-	13,074
Occupancy	6,744	397	794	7,935
Insurance	1,965	-	-	1,965
Cost of goods sold - T-shirt sales	73,076	-	-	73,076
	<u>\$783,495</u>	<u>\$35,101</u>	<u>\$18,502</u>	<u>\$837,098</u>

See accompanying notes to the financial statements.

GALLANTFEW, INC.
STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 67,348	\$ 10,921
Adjustments to reconcile net loss to net cash		
(Increase) decrease in assets:		
Accounts receivable	16,325	(17,325)
Investments	1,352	(7,786)
Prepaid expenses	(10,443)	14,957
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(19,783)	24,021
Net cash used by operating activities	<u>54,799</u>	<u>24,788</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term debt	<u>-</u>	<u>(36,322)</u>
NET INCREASE (DECREASE) IN CASH	54,799	(11,534)
Cash - Beginning of year	<u>179,585</u>	<u>191,119</u>
CASH - END OF YEAR	<u>\$ 234,384</u>	<u>\$ 179,585</u>

See accompanying notes to the financial statements.

GALLANTFEW, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

GallantFew, Inc. (the Organization) is a 501(c)(3) tax-exempt organization that provides services for veterans throughout the United States. The organization's goal is to help veterans transition to civilian lives of purpose, and hope through connection, education and empowerment in order to reduce veteran unemployment, homelessness and suicide. The organization is supported primarily through donor contributions. The organization's records are kept on the accrual basis of accounting.

Cash and Cash Equivalents

The Company considers depository accounts and highly liquid investments with maturities of three months or less when purchased as cash and cash equivalents.

Investments

The Company records all investment transactions at the fair market value on a trade(contribution) date basis. Dividends and dividends sold short are recognized on the ex-dividend date and interest income is recognized on the accrual basis. Realized gains and losses are determined using the specific identification method. During 2022, the Company had unrealized losses of \$1,352 and gains of \$1,530 in 2021.

Contributed Services

During the years ended December 31, 2022 and 2021, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization. The Organization has approximately 2,500 volunteers per year.

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 and disclosures. Accordingly, actual results could differ from those estimates.

Financial Statement Presentation

Under Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Contributions

Under SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the absence or existence and nature of any donor restrictions.

GALLANTFEW, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

Income Taxes

The Organization is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation.

Notes Payable

On April 29, 2020, the Organization acquired a Payroll Protection Program (PPP) note payable through PayPal that is backed by the Small Business Administration to assist businesses during the COVID-19 pandemic. The note original principal balance of \$36,322 was forgiven on May 19, 2021.

On April 7, 2021, the Organization acquired the second Payroll Protection Program (PPP) note payable through PayPal that is backed by the Small Business Administration to continue to assist businesses during the pandemic. The note original principal balance of \$46,379 was forgiven October 22, 2021.

Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through August 7, 2023, and has determined that are no subsequent events identified that require further recognition or disclosure.