FRIENDS OF MACARTHUR BEACH STATE PARK, INC.

REPORT ON AUDITS OF FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

FRIENDS OF MACARTHUR BEACH STATE PARK, INC.

Table of Contents

	Page
Independent auditor's report	1–2
Financial statements:	
Statements of financial position	3
Statements of activities	4
Statement of functional expenses – 2025	5
Statement of functional expenses – 2024	6
Statements of cash flows	7
Notes to financial statements	8–13
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*	14–15
Schedule of findings and questioned costs	16

Independent Auditor's Report

To the Board of Directors
Friends of MacArthur Beach State Park, Inc.
Palm Beach Gardens, Florida

Opinion

We have audited the accompanying financial statements of Friends of MacArthur Beach State Park, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of MacArthur Beach State Park, Inc. as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Friends of MacArthur Beach State Park, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 Friends of MacArthur Beach State Park, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

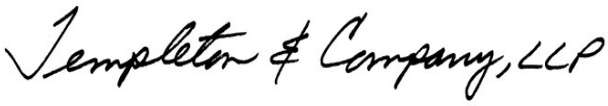
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Friends of MacArthur Beach State Park, 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 Friends of MacArthur Beach State Park, 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.

Other Matter

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2026, on our consideration of Friends of MacArthur Beach State Park, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Friends of MacArthur Beach State Park, Inc.'s internal control over financial reporting and compliance.



West Palm Beach, Florida
April 7, 2026

FRIENDS OF MACARTHUR BEACH STATE PARK, INC.

STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

	2025	2024
ASSETS		
Current assets:		
Cash	$ 68,746	$ 75,295
Investments, at fair value (Note 3)	1,019,924	880,639
Inventory	58,178	51,313
Other current assets	10,190	1,405
Total current assets	1,157,038	1,008,652
Equipment, net of accumulated depreciation (Note 4)	3,752	-
Total assets	$ 1,160,790	$ 1,008,652
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accrued expenses	$ 26,964	$ 16,442
Total current laibilities	26,964	16,442
Net assets:		
Without donor restrictions	1,026,082	917,569
With donor restrictions (Note 5)	107,744	74,641
Total net assets	1,133,826	992,210
Total liabilities and net assets	$ 1,160,790	$ 1,008,652

See accompanying notes to financial statements.

FRIENDS OF MACARTHUR BEACH STATE PARK, INC.

STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2025 and 2024

	Year Ended December 31, 2025			Year Ended December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:						
Contributions	$ 48,504	$ -	$ 48,504	$ 42,750	$ -	$ 42,750
Grants	675	250,546	251,221	367,646	117,990	485,636
Membership dues	130,114	-	130,114	142,945	-	142,945
Program revenue	198,638	-	198,638	138,992	-	138,992
Special events, net	105,232	-	105,232	106,358	-	106,358
Merchandise sales, net	144,156	-	144,156	151,360	-	151,360
Net investment return	39,167	-	39,167	41,218	-	41,218
Other income	4,245	-	4,245	5,929	-	5,929
Net assets released from restrictions (Note 5)	217,443	(217,443)	-	81,576	(81,576)	-
Total support and revenue	888,174	33,103	921,277	1,078,774	36,414	1,115,188
Expenses:						
Program services:						
Park development	197,546	-	197,546	365,928	-	365,928
Public education	118,326	-	118,326	98,806	-	98,806
Visitor services	136,272	-	136,272	113,516	-	113,516
Total program services	452,144	-	452,144	578,250	-	578,250
Supporting services:						
Management and general	284,301	-	284,301	233,858	-	233,858
Fundraising	43,216	-	43,216	84,132	-	84,132
Total expenses	779,661	-	779,661	896,240	-	896,240
Change in net assets	108,513	33,103	141,616	182,534	36,414	218,948
Net assets - beginning of year	917,569	74,641	992,210	735,035	38,227	773,262
Net assets - end of year	$ 1,026,082	$ 107,744	$ 1,133,826	$ 917,569	$ 74,641	$ 992,210

See accompanying notes to financial statements.

FRIENDS OF MACARTHUR BEACH STATE PARK, INC.

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2025

	Program Services				Supporting Services		
	Park Development	Public Education	Visitor Services	Total Program Services	Management and General	Fundraising	Total Expenses
Salaries and benefits	$ 143,897	$ 53,295	$ 69,284	$ 266,476	$ 245,153	$ 21,318	$ 532,947
Printing and publications	275	549	549	1,373	-	-	1,373
Postage and shipping	235	468	468	1,171	-	-	1,171
Cost of inventory items sold	106,076	-	-	106,076	-	-	106,076
Travel	1,126	2,250	2,250	5,626	-	-	5,626
Repairs and maintenance	1,693	3,385	3,385	8,463	-	-	8,463
Insurance	3,058	6,118	6,118	15,294	-	-	15,294
Advertising	406	810	810	2,026	-	-	2,026
Professional fees and trainers	1,777	1,776	1,776	5,329	19,703	8,210	33,242
Office expense	4,703	9,406	9,406	23,515	18,812	4,697	47,024
Kayak program expenses	-	-	-	-	-	-	-
Park support and equipment	-	38,236	38,236	76,472	-	-	76,472
Grant expenditures	40,376	-	-	40,376	633	8,991	50,000
Direct cost of special events	-	-	-	-	-	36,853	36,853
Depreciation	-	-	1,958	1,958	-	-	1,958
Other expenses	-	2,033	2,032	4,065	-	-	4,065
Total expenses	303,622	118,326	136,272	558,220	284,301	80,069	922,590
Less expenses included with revenues on the statement of activities:							
Direct cost of special events	-	-	-	-	-	(36,853)	(36,853)
Cost of inventory items sold	(106,076)	-	-	(106,076)	-	-	(106,076)
Total expenses	$ 197,546	$ 118,326	$ 136,272	$ 452,144	$ 284,301	$ 43,216	$ 779,661

See accompanying notes to financial statements.

FRIENDS OF MACARTHUR BEACH STATE PARK, INC.

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

	Program Services				Supporting Services		
	Park Development	Public Education	Visitor Services	Total Program Services	Management and General	Fundraising	Total Expenses
Salaries and benefits	$ 106,227	$ 39,343	$ 51,146	$ 196,716	$ 180,981	$ 15,737	$ 393,434
Postage and shipping	66	134	134	334	-	-	334
Cost of inventory items sold	108,430	-	-	108,430	-	-	108,430
Travel	1,150	2,301	2,301	5,752	-	-	5,752
Repairs and maintenance	2,542	5,082	5,082	12,706	-	-	12,706
Insurance	4,589	9,178	9,178	22,945	-	-	22,945
Advertising	201	403	403	1,007	-	-	1,007
Professional fees and trainers	1,309	1,308	1,308	3,925	14,513	6,047	24,485
Office expense	8,647	17,293	17,293	43,233	34,586	8,636	86,455
Kayak program expenses	-	2,703	2,704	5,407	-	-	5,407
Park support and equipment	-	18,784	18,784	37,568	-	-	37,568
Grant expenditures	241,197	-	-	241,197	3,778	53,712	298,687
Direct cost of special events	-	-	-	-	-	21,351	21,351
Depreciation	-	-	2,908	2,908	-	-	2,908
Other expenses	-	2,277	2,275	4,552	-	-	4,552
Total expenses	474,358	98,806	113,516	686,680	233,858	105,483	1,026,021
Less expenses included with revenues on the statement of activities:							
Direct cost of special events	-	-	-	-	-	(21,351)	(21,351)
Cost of inventory items sold	(108,430)	-	-	(108,430)	-	-	(108,430)
Total expenses	$ 365,928	$ 98,806	$ 113,516	$ 578,250	$ 233,858	$ 84,132	$ 896,240

See accompanying notes to financial statements.

FRIENDS OF MACARTHUR BEACH STATE PARK, INC.

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ 141,616	$ 218,948
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Depreciation	1,958	2,908
Noncash contributions of securities	-	(10,616)
Net realized and unrealized (gains) losses on investments	8,692	(6,666)
Changes in operating assets and liabilities:		
Inventory	(6,865)	(5,297)
Other current assets	(8,785)	660
Due to The Nature Foundation	-	(50,000)
Accrued expenses	10,522	7,086
Net cash provided by operating activities	147,138	157,023
Cash flows from investing activities:		
Proceeds from sales of investments	-	52,696
Purchases of investments	(147,977)	(223,915)
Purchases of equipment	(5,710)	-
Net cash used in investing activities	(153,687)	(171,219)
Net decrease in cash	(6,549)	(14,196)
Cash, beginning of year	75,295	89,491
Cash, end of year	$ 68,746	$ 75,295

See accompanying notes to financial statements.

FRIENDS OF MACARTHUR BEACH STATE PARK, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of activities

Friends of MacArthur Beach State Park, Inc. (Friends) is a nonprofit organization incorporated under the laws of the State of Florida and is a 501(c)(3) tax exempt organization under the Internal Revenue Code (IRC). Friends is funded primarily from contributions made by the public within the State of Florida, through paid programs provided to the public, and gift shop sales. Contributions are used to fund park development, public education, visitor services, and resource management.

Basis of accounting

Friends prepares its financial statements using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) whereby revenues are recognized when earned and expenses are recognized when incurred.

Basis of presentation

Net assets, revenue, expenses, and gains and losses are classified as without donor restrictions and with donor restrictions based on the existence or absence, respectively, of contractual, grantor, or donor-imposed restrictions. Accordingly, the net assets of Friends and changes therein are classified as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and are available for the support of Friends' operations. These net assets may be used at the discretion of Friends' management and the Board of Directors.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of Friends or the passage of time.

Revenue recognition

Friends has multiple revenue sources that are recorded as exchange transactions, including membership dues, program revenue, merchandise sales, and other revenue.

Membership dues and program revenue

Friends offers memberships of various categories that generally last for a term of one year. Friends divides fees from these memberships between contributions and exchange transactions and recognizes revenue from the contribution upon sale and for the exchange portion of the transaction ratably over the term of the membership. Fees for programs are recognized when the program takes place. Membership dues and other fees collected prior to the commencement of the program are recorded as deferred revenue.

Special events revenue

Special events revenue is recognized for the fair value of the direct benefits to donors provided at the special events. Revenue in excess of the fair value of the direct benefits to donors, if any, is recognized as a contribution without donor restrictions. Special events revenue and the related contribution portion are recognized at the point in time when the event takes place. Special events revenue received in advance of the event is recorded as deferred revenue until such time as the event takes place.

Other revenues

Revenue from other activities include merchandise sales and other revenue. Friends recognizes revenue from these sources at the point of sale.

Grants and contributions

Friends records funding from unconditional grants in the period that the grant award is received. Unconditional contributions are recorded in the period that the contribution is received. Classification of grants and contributions as without donor restrictions or with donor restrictions is based upon any external stipulations that limit the use of the funds.

Note 1 – Nature of Activities and Summary of Significant Accounting Policies, Continued

Grants and contributions, continued

When a grantor or donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are then reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Grants and contributions with donor restrictions are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

Measure of operations

The statements of activities include changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to Friends' ongoing education, preservation, and member services.

Income taxes

Friends' activities are generally exempt from federal and state income taxes under Section 501(c)(3) of the IRC. Since Friends is exempt from federal and state income tax liability, no provision for income taxes is recorded in Friends' financial statements. Management is not aware of any transactions that would impact Friends' tax-exempt status.

Management analyzes tax positions in jurisdictions where it is required to file income tax returns. Based on its evaluation, management did not identify any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease.

Interest and penalties attributable to income taxes, if any, are included in operating expenses. No such interest or penalties were recorded for the years 2025 or 2024. Friends is no longer subject to federal, state, or local income tax examinations by taxing authorities for years prior to 2022.

Fair value measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. As of December 31, 2025 and 2024, Friends had no Level 2 or Level 3 assets or liabilities.

Contributed services

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received as in-kind contributions.

Many individuals volunteer their time and perform a variety of tasks to assist with the programs and other activities of Friends. The value of these services has not been recorded because the criteria for recognition have not been satisfied.

Cash

Cash includes amounts on deposit in general checking and savings accounts.

Inventory

Inventory held in the gift shop for resale is stated at the lower of cost or net realizable value determined on the first-in first-out method.

Note 1 – Nature of Activities and Summary of Significant Accounting Policies, Continued

Investments

Investments consist of certificates of deposit, money market funds, and U.S. Treasury securities that are measured at fair value based on quoted market prices.

Investment income and realized gains and losses on investments are recognized upon realization. Unrealized gains and losses are recognized on changes in fair values during the period. Net investment returns are reported in appropriate net asset classifications based upon the existence of donor restrictions, if any.

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in values of investments will occur in the near-term.

Accounting estimates

The preparation of financial statements in conformity with the accrual basis of accounting 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 revenue and expenses during the reporting period. Actual results could differ from those estimates and the differences could be material.

Property and equipment

Certain equipment acquisitions with useful lives greater than one year and cost greater than $1,000 are capitalized and stated at cost or, if donated, at the fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is estimated to be 3 years.

Management reviews its equipment for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Maintenance and repairs are expensed when incurred.

Expense recognition and allocation

The cost of providing programs and other activities is summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions, such as depreciation, insurance, supplies, and maintenance have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied.

Annually, or more often when new programs are added, the basis on which costs are allocated is re-evaluated.

Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of Friends.

Fundraising and special event costs are expensed as incurred, even though they may result in contributions received in future years. Friends generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and general and administrative expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

Note 1 – Nature of Activities and Summary of Significant Accounting Policies, Continued

Concentrations of credit risk

Friends' cash balances on deposit with banks are guaranteed by the Federal Deposit Insurance Corporation (FDIC). Friends is occasionally exposed to risk for the amount of funds held in any one account in excess of the insurance limit; no such risk existed as of December 31, 2025. In assessing its risk, Friends' policy is to conduct business with only the highest rated financial institutions. Friends has not experienced any losses in such accounts.

Other securities and limited amounts of cash held in brokerage accounts are protected by the Securities Investor Protection Corporation (SIPC). In the event of broker-dealer failure, SIPC offers protection up to $500,000 for each brokerage account, with a limit of $250,000 for claims of uninvested cash balances. The SIPC insurance does not protect against market losses on investments.

Note 2 – Availability of Resources and Liquidity

As of December 31, 2025, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses, were as follows:

	2025	2024
Financial assets:		
Cash	$ 68,746	$ 75,295
Investments	1,019,924	880,639
Total financial assets	1,088,670	955,934
Less financial assets held to meet donor-imposed restrictions:		
Purpose-restricted net assets (Note 5)	(107,744)	(74,641)
Financial assets available for general expenditures in the next year	$ 980,926	$ 881,293

Friends' goal is to maintain liquid financial assets sufficient to cover 90 days of general operating expenditures. Financial assets in excess of short-term cash requirements are invested in interest-bearing accounts and money market accounts at financial institutions.

Note 3 – Investments

Investments are measured at fair value. Fair value is determined by quoted market prices in active markets for all investments (Level 1 measurements). Investments at December 31, 2025 and 2024, consist of the following:

	2025	2024
Money market funds	$ 365,693	$ 353,291
U.S. Treasury securities	153,867	74,507
Certificates of deposit	500,364	452,841
Total investments, at fair value	$ 1,019,924	$ 880,639

The following schedule summarizes the net investment return for the years ended December 31, 2025 and 2024:

	2025	2024
Interest and dividend income	$ 47,859	$ 34,552
Net realized and unrealized gains (losses)	(8,692)	6,666
Net investment return	$ 39,167	$ 41,218

Note 4 – Equipment

A summary of equipment as of December 31, 2025 and 2024, is as follows:

	2025	2024
Computer	$ 5,873	$ 16,062
Less: accumulated depreciation	(2,121)	(16,062)
Equipment, net	$ 3,752	$ -

Depreciation expense for the years ended December 31, 2025 and 2024, totaled $1,958 and $2,908, respectively.

Note 5 – Net Assets with Donor Restrictions

Net assets with donor restrictions as of December 31, 2025 and 2024, are available for the following purposes:

	2025	2024
Purpose restrictions:		
Park development	$ 42,889	$ -
Education services	64,855	69,692
Visitor services	-	4,949
	$ 107,744	$ 74,641

Net assets are released from donor restrictions by incurring costs or expenses satisfying the restricted purposes or by the occurrence of events as specified by the donors. Net assets were released from donor restrictions for the years ended December 31, 2025 and 2024, for the following purposes:

	2025	2024
Park development	$ 54,431	$ 7,792
Education services	160,007	54,273
Visitor Services	3,005	19,511
	$ 217,443	$ 81,576

Note 6 – Related Party

The Nature Foundation, Inc. (the Foundation) is a nonprofit organization formed to benefit and assist Friends in funding park programs and services or plant facilities that are not funded by the State of Florida. All the Foundation's board members are volunteers and have no financial interest in the Foundation or Friends. Foundation bylaws state a majority of the Foundation's trustees shall be members of the Board of Directors of Friends. Friends does not have a majority voting interest in the Foundation, as defined by GAAP.

Summarized Foundation financial data as of and for the years ended December 31, 2025 and 2024, is as follows:

	2025	2024
Total assets	$ 5,129,106	$ 4,524,359
Total net assets	$ 5,129,106	$ 4,524,359
Total revenue and support	$ 296,006	$ 154,371
Total expenses	$ 118,352	$ 113,083

Note 7 – Subsequent Events

Management evaluated events occurring subsequent to December 31, 2025 through April 7, 2026, the date on which the financial statements were available to be issued, for matters that should be recorded in the financial statements or disclosed in the footnotes thereto.

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 of
Friends of MacArthur Beach State Park, Inc.
Palm Beach Gardens, Florida

We have audited, in accordance with 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 Friends of MacArthur Beach State Park, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 7, 2026.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Friends of MacArthur Beach State Park, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Friends of MacArthur Beach State Park, Inc.'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 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.

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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Friends of MacArthur Beach State Park, Inc.'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 determination of financial statement amounts. 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 Friends of MacArthur Beach State Park, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Friends of MacArthur Beach State Park, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Templeton & Company, LLP

West Palm Beach, Florida
April 7, 2026

FRIENDS OF MACARTHUR BEACH STATE PARK, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2025

Part I – Financial Statement Findings and Questioned Costs in the Current Year

No findings or questioned costs noted during fiscal year 2025.

Part II – Financial Statement Findings and Questioned Costs in the Prior Year

No findings or questioned costs noted during fiscal year 2024.