

**Travelers Aid of Metropolitan Atlanta,
Inc. d/b/a Hope Atlanta
Audited Financial Statements
June 30, 2024**

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Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

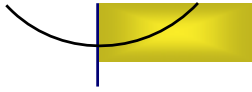
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Atlanta, Georgia

Opinion

We have audited the accompanying financial statements of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta, ("the Organization") which comprise the statements of financial positions as of June 30, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Organization as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof 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 (GAS), 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 opinions.

Responsibility 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 for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 our audit in accordance with GAAS and GAS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement on 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 statement.
- 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 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 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 we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary information, such as management's discussion and analysis, the schedules of proportionate share of net pension liability and schedules of contributions to retirement systems, and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 6, 2024 on our consideration of 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 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.

Other 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 federal awards, as required by Title 2 U.S Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Bambo Sonaike CPA, LLC

December 6, 2024

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
 Statements of Financial Position
 For the year ended June 30, 2024

Assets	<u>2024</u>	<u>2023</u>
Current assets		
Cash	\$ 4,384,069	\$ 1,150,921
Accounts receivable	3,295,171	3,138,731
Investments	6,416	6,416
Prepays and other assets	33,561	132,939
Total current assets	<u>7,719,217</u>	<u>4,429,007</u>
Long-term assets		
Property and equipment ^(net)	566,677	564,782
Other assets	572,746	2,829,982
Total long-term assets	<u>1,139,423</u>	<u>3,394,764</u>
Total Assets	<u><u>\$ 8,858,640</u></u>	<u><u>\$ 7,823,771</u></u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable & accrued expenses	626,857	1,235,011
Deferred revenue	356,763	213,866
Lease liabilities	271,633	167,685
Notes payable	1,622,252	1,113,573
Total current liabilities	<u>2,877,506</u>	<u>2,730,135</u>
Long-term liabilities		
Lease liabilities	160,647	275,215
Notes payable	1,986,694	1,977,840
Total long-term liabilities	<u>2,147,340</u>	<u>2,253,055</u>
Total liabilities	<u>5,024,846</u>	<u>4,983,190</u>
Net assets		
Without donor restriction	3,833,794	2,840,581
With donor restriction	-	-
Total net assets	<u>3,833,794</u>	<u>2,840,581</u>
Total Liabilities & Net Assets	<u><u>\$ 8,858,640</u></u>	<u><u>\$ 7,823,771</u></u>

The accompanying notes are an integral part to these financial statements.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
 Statements of Activities
 For the year ended June 30, 2024

	Without donor restriction	With donor restriction	Total
Revenues			
Grants and awards	\$ 16,113,635	\$ -	\$ 16,113,635
Contributions	3,227,337	-	3,227,337
Donation in-kind	563,776	-	563,776
Special events	551,193	-	551,193
Program fees	33,402	-	33,402
Other income	204,824	-	204,824
Total revenues	<u>20,694,167</u>	<u>-</u>	<u>20,694,167</u>
Net assets released from restrictions	-	-	-
Expenses			
Program services	15,110,359	-	15,110,359
Management and general	3,576,211	-	3,576,211
Fundraising	1,051,983	-	1,051,983
Total expenses	<u>19,738,554</u>	<u>-</u>	<u>19,738,554</u>
Change in net assets from operations	<u>955,613</u>	<u>-</u>	<u>955,613</u>
Other income and expenses			
Interest income	22,482	-	22,482
Gain or (loss) on investment and sale of asset	15,118	-	15,118
Total other income and expenses	<u>37,600</u>	<u>-</u>	<u>37,600</u>
Change in net assets	<u>993,213</u>	<u>-</u>	<u>993,213</u>
Net assets at beginning of year	<u>2,840,581</u>	<u>-</u>	<u>2,840,581</u>
Net assets at end of year	<u>\$ 3,833,794</u>	<u>\$ -</u>	<u>\$ 3,833,794</u>

The accompanying notes are an integral part to these financial statements.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
 Statements of Activities
 For the year ended June 30, 2023

	Without donor restriction	With donor restriction	Total
Revenues			
Grants and awards	\$ 12,164,176	\$ -	\$ 12,164,176
Contributions	2,449,471	-	2,449,471
Donation in-kind	132,917	-	132,917
Special events	473,036	-	473,036
Program fees	44,779	-	44,779
Other income	300,423	-	300,423
Total revenues	<u>15,564,802</u>	<u>-</u>	<u>15,564,802</u>
Net assets released from restrictions	-	-	-
Expenses			
Program services	12,279,767	-	12,279,767
Management and general	2,321,995	-	2,321,995
Fundraising	923,861	-	923,861
Total expenses	<u>15,525,623</u>	<u>-</u>	<u>15,525,623</u>
Change in net assets from operations	<u>39,179</u>	<u>-</u>	<u>39,179</u>
Other income and expenses			
Interest income	277	-	277
Gain or (loss) on investment and sale of asset	439	-	439
Total other income and expenses	<u>716</u>	<u>-</u>	<u>716</u>
Change in net assets	<u>39,895</u>	<u>-</u>	<u>39,895</u>
Net assets at beginning of year	<u>2,800,686</u>	<u>-</u>	<u>2,800,686</u>
Net assets at end of year	<u>\$ 2,840,581</u>	<u>\$ -</u>	<u>\$ 2,840,581</u>

The accompanying notes are an integral part to these financial statements.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
 Statements of Functional Expense
 For the year ended June 30, 2024

	Program Services	Management & General	Fundraising	Total
Direct assistance	\$ 9,048,187	\$ 60,211	\$ 8,621	\$ 9,117,019
Salaries, wages and benefits	5,387,132	1,857,324	573,803	7,818,258
Professional fees and services	178,732	346,441	218,504	743,677
Other expenses	88,601	273,754	56,310	418,664
Travel	287,628	2,892	430	290,951
Depreciation and amortization	-	244,065	-	244,065
Insurance	7,880	178,776	53,068	239,724
Equipment rental	31,692	172,007	-	203,699
Interest	-	192,234	-	192,234
Fundraising	-	1,755	140,390	142,145
Communication	63,947	63,375	858	128,181
Bad debt expense	-	114,747	-	114,747
Occupancy	16,559	68,630	-	85,189
Total expenses	\$ 15,110,359	\$ 3,576,211	\$1,051,983	\$19,738,554

The accompanying notes are an integral part to these financial statements.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
 Statements of Functional Expense
 For the year ended June 30, 2023

	Program Services	Management & General	Fundraising	Total
Direct assistance	\$ 7,526,714	\$ 7,406	\$ -	\$ 7,534,120
Salaries, wages and benefits	3,986,448	1,131,156	546,171	5,663,775
Professional fees and services	186,689	508,221	148,070	842,980
Travel	359,064	5,846	1,369	366,279
Other expenses	96,410	51,239	74,218	221,867
Depreciation and amortization	-	220,856	-	220,856
Equipment rental	335	156,803	-	157,138
Fundraising	-	-	145,051	145,051
Communication	84,005	48,313	1,558	133,876
Interest	-	86,015	-	86,015
Occupancy	29,705	55,847	-	85,552
Insurance	9,430	50,292	8,391	68,113
Total expenses	\$ 12,278,800	\$ 2,321,994	\$ 924,828	\$ 15,525,622

The accompanying notes are an integral part to these financial statements.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
 Statements of Cash Flows
 For the years ended June 30, 2024 and June 30, 2023

	<u>2024</u>	<u>2023</u>
Cash flow from operating activities:		
Change in net assets	\$ 993,213	\$ 39,895
Reconciliation of change in net assets to net cash provided (required) by operating activities:		
Depreciation and amortization	244,065	220,856
Change in operating assets and liabilities		
(Increase) decrease in assets:		
Accounts receivable	(156,441)	967,239
Prepays and other assets	2,356,614	(97,451)
Increase (decrease) in liabilities:		
Accounts payable	(608,154)	(110,892)
Deferred revenue	142,897	(120,400)
Net cash provided (required) by operating activities	<u>2,972,195</u>	<u>899,247</u>
Cash flow from investing activities:		
Acquisition of right to use lease asset	(197,030)	-
Acquisition of equipment	(71,312)	-
Sale of property	22,382	(4,586)
Net cash provided (required) by investing activities	<u>(245,960)</u>	<u>(4,586)</u>
Cash flow from financing activities:		
Paydown on notes payables	(13,981,049)	(9,904,324)
Drawdown on notes payables	14,498,582	10,116,499
Financing of right to use lease asset	197,030	-
Paydown of lease liability	(207,650)	(162,152)
Net cash provided (required) by financing activities	<u>506,914</u>	<u>50,023</u>
Net increase (decrease) in cash	<u>3,233,149</u>	<u>944,684</u>
Beginning balance of cash	<u>1,150,920</u>	<u>206,236</u>
Ending balance of cash	<u><u>\$ 4,384,069</u></u>	<u><u>\$ 1,150,920</u></u>
<u>Supplemental Disclosure of Cash Flow Information:</u>		
Cash paid during the year for interest	\$ 142,145	\$ 86,015
Cash paid during the year for income taxes	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part to these financial statements.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

Notes to the Financial Statements

June 30, 2024

1. Organization and summary of significant accounting policies

Organization

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta (the Organization) is a voluntary health and welfare agency. HOPE Atlanta has been in operation for over 100 years as a social service agency offering H.O.P.E. to individuals and families in crisis by providing Housing, Outreach, Prevention and Emergency Services.

Significant accounting policies

Basis of accounting and financial statement presentation

The financial statements are reported using the accrual basis of accounting. All of the Organization's assets, liabilities, net assets, revenue and expenses have been reflected in accordance with the accrual method.

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) No. 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Without donor restrictions

These are assets that are not subject to donor imposed or grantor-imposed restrictions.

With donor restrictions

These are assets that are subject to donor imposed stipulations that may or will be met, either by actions of the Organization and/or passage of time. When a restriction expires, these net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets are released from restriction.

Cash and cash equivalents

Cash consists of cash on hand at the Organization's locations and the accounts held at financial institutions. Cash equivalent are considered to be short term investments with original maturities less than three months.

Accounts receivable

Accounts receivable are generated from the day-to-day operations of the Organization. Accounts receivable are stated as unpaid balances to the Organization for performed services. Receivables are unsecured and non-interest bearing. Management believes that all receivables are fully collectible; therefore, no allowance for uncollectible amounts has been recorded.

Inventory

Inventory consists of household items required for refugee living quarters and transportation and other gift cards available for distribution to the refugees. Inventory is stated at the lower of cost, determined using the first-in first-out (FIFO) method, or market. Donated goods are recorded at estimated fair value.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

Notes to the Financial Statements

June 30, 2024

Property and equipment

The Organization capitalizes property and equipment purchases that are greater than \$1,000. Lesser amounts are expensed. Property and equipment are stated at cost, or if donated, at their estimated fair value at the date of the gift. Such donations are reported as unrestricted support unless the donor restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed into service as instructed by the donor.

Expenditures for property and equipment additions are reviewed for estimated useful life and major improvements or renewals are capitalized while the cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized. Depreciation is computed by the straight-line method over the estimated useful lives as stated below. At the time assets are retired or disposed, costs and accumulated depreciation are eliminated from the related accounts and gains or losses, if any, are credited or charged to income. The estimated useful lives of property and equipment were as follows:

Description	Useful Life
Building and improvements	5 years
Leasehold improvements	5 years
Vehicles	5 years
Furniture and equipment	3 to 5 years
Right to use lease asset	3 years

Donated material and services

All donated materials are recorded at their estimated fair value at the date of receipt. Contributed services are recognized if the services received (a) create or enhance non-financial assets or (b) required specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services are reflected in the financial statements at the fair value of the services received. Contributed services that do not require specialized skills or enhance nonfinancial assets are not recorded in the accompanying financial statements because no objective basis is available to measure the value of such services.

Revenue recognition

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received or promised. Conditional contributions are recorded when the conditions have been substantially met. Contributions are considered to be without donor restrictions unless specifically restricted by the donor.

The Organization reports contributions in the with donor restrictions net asset class if they are received with donor stipulations as to their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are released and reclassified to without donor restriction net assets in the consolidated statement of activities.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

Notes to the Financial Statements

June 30, 2024

Income tax

The Organization is exempt from federal income taxes under Section 501(C) (3) of the Internal Revenue Code. The Organization is also exempt from Georgia income taxes and, therefore, has made no provision for federal or Georgia income taxes. In addition, the Internal Revenue Services has determined that the Organization is not a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code.

Use of estimates

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Leases

The determination of whether an arrangement is a lease is made at the lease’s inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Right to use lease assets and the related lease liabilities are recorded on the statement of financial position.

The Organization recognizes right to use lessee asset and related lease liability at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The right to use lease asset is measured at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

The Organization reduces the lease liability as payments are made and recognize interest on the lease liability. The Organization amortizes the right to use lease asset over the shorter of the lease term or the useful life of the underlying asset.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Notes to the Financial Statements
June 30, 2024

2. Accounts receivable

Accounts receivable as of June 30, 2024 consisted of the following:

Department of Veterans Affairs	\$ 1,064,523
Partners for Home	610,996
Housing and Urban Development	413,757
City of Atlanta	351,624
Columbia Towers	218,070
Hartsfield Jackson International Airport	130,832
MARTA	117,939
Fulton County	95,858
Other receivable	291,572
Total accounts receivable	<u>\$ 3,295,171</u>

3. Prepaids and other assets

As of June 30, 2024, prepaid and other assets consisted of the following:

Employee retention tax credit	\$ 572,746
Security deposits	33,561
Total prepaids and other assets	<u>\$ 606,307</u>

4. Property and equipment

As of June 30, 2024, property and equipment consisted of the following:

	2023	Additions	Disposals	2024
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Building and improvements	117,835	-	-	117,835
Leasehold improvements	80,221	-	-	80,221
Furniture and equipment	198,097	-	-	198,097
Vehicles	121,571	71,312	(45,625)	147,258
Right to use lease asset	645,135	197,030	-	842,165
Total cost	<u>1,172,859</u>	<u>268,342</u>	<u>(45,625)</u>	<u>1,395,576</u>
Less: accumulated depreciation	(395,201)	(35,691)	23,243	(407,649)
Less: accumulated amortization	(212,876)	(208,374)	-	(421,250)
Total amortization and depreciation	<u>(608,077)</u>	<u>(244,065)</u>	<u>23,243</u>	<u>(828,899)</u>
Total property and equipment, net	<u>\$ 564,782</u>	<u>\$ 24,277</u>	<u>\$(22,382)</u>	<u>\$ 566,677</u>

For the years ended June 30, 2024, depreciation and amortization expense in the amount of \$244,065 was recorded in the statements of activities.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Notes to the Financial Statements
June 30, 2024

5. Accounts payable and accrued expenses

Accounts payable and accrued expenses consist of expenses incurred in the day-to-day activities of the Organization. Accounts payable and accrued expenses as of June 30, 2024 consisted of the following:

Accounts payable	\$ 376,607
Accrued expenses	250,250
Total	<u>\$ 626,857</u>

6. Leases

As of June 30, 2024 details of the lease liability are as follows:

Purpose	Interest rates	Issue Date	Maturity Date	Amount issued	Amount outstanding
Office space	3.36%	11/24/2020	1/31/2026	\$ 645,135	\$ 275,215
Office space	3.36%	5/17/2021	1/31/2026	197,030	157,065
			Total	<u>\$ 842,165</u>	<u>\$ 432,280</u>

As of June 30, 2024 in accordance with GASB Statement No. 87 – Leases, the Right-To-Use Lease asset estimated future liabilities are as follows:

Year End	Principal	Interest	Payment
2025	\$ 271,633	\$ 10,367	\$ 282,000
2026	160,647	1,787	162,434
Thereafter	-	-	-
Total	<u>\$ 432,280</u>	<u>\$ 12,154</u>	<u>\$ 444,434</u>

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Notes to the Financial Statements
June 30, 2024

7. Notes payable

Notes payable as of June 30, 2024 consisted of the following:

Lender / Collateral	Maximum loan amount	Outstanding balance	Interest rate	Maturity Date	Principal amortization	Prepayment penalty
Bank of OZK / Eligible accounts receivable	\$1,800,000	\$1,609,046	Prime + 1.75%	8/28/2025	No	No
United States Small Business Administration / all assets	\$2,000,000	\$1,999,900	2.75%	2/12/2052	Yes	No
Total		<u>\$3,608,946</u>				

	Beginning Balance	Drawdown	Paydown	Ending Balance
Bank of OZK	\$1,073,515	\$14,498,582	\$(13,963,051)	\$1,609,046
U.S. Small Business Administration	1,999,900	-	-	1,999,900
Synovous Bank	17,998	-	(17,998)	-
Total	<u>\$3,091,413</u>	<u>\$14,498,582</u>	<u>\$(13,981,049)</u>	<u>\$3,608,946</u>

The future minimum payments are as follows:

Date	Interest	Principal	Balance
6/30/2025	\$ 19,107	\$ 1,622,252	\$1,641,359
6/30/2026	53,960	53,740	107,700
6/30/2027	52,463	55,237	107,700
6/29/2028	50,925	56,775	107,700
6/29/2029	49,344	58,356	107,700
Thereafter	581,850	1,762,587	2,344,437
Total	<u>\$ 807,650</u>	<u>\$ 3,608,946</u>	<u>\$4,416,596</u>

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Notes to the Financial Statements
June 30, 2024

8. Deferred revenue

The Organization records certain federal grant awards as deferred revenue until related services are performed, at which time they are recognized as revenue. As of June 30, 2024 deferred revenue totaled \$356,763.

9. Concentrations and risks

Significant revenue sources

The Organization depends heavily on contributions and grants for its revenue sources. The ability of the Organization's contributors and grantors to continue giving amounts may be dependent upon current and future overall economic conditions. While management believes the Organization has the resources to continue its programs, its ability to do so and the extent to which it continues, may be dependent on the above factors and other factors beyond its control.

Custodial credit risk

Custodial credit risk is the risk that in the event of bank failure, the Organization's deposits may not be returned to it. Cash accounts are insured by the Federal Deposit Insurance Corporation for up to \$250,000. Cash balances held with financial institutions exceed federally insurable limits at times. Management believes the credit risk associated with cash and cash equivalents to be low due to the quality of the financial institutions in which these assets are held.

10. Financial assets and liquidity management

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and equivalents	\$	4,384,069
Accounts receivable		3,295,171
Total	\$	<u>7,679,240</u>

The Organization has the policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

11. Methods used for allocation of expenses from management and general activities

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Those expenses include salaries, benefits, occupancy, program expenses and depreciation. All costs are allocated based on time and effort and depreciation is allocated directly to a specific programs.

12. Commitments and contingencies

The Organization participates in federal and state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization has not complied with the rules and regulations governing grants, refunds of any money received may be required and the collectability of any related receivable at June

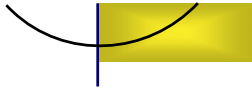
Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Notes to the Financial Statements
June 30, 2024

30, 2024 may be impaired. In the opinion of the Organization, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

13. Subsequent events

The Organization evaluated subsequent events through the date the financial statements were available to be issued and noted the following:

- A. The Organization has collected \$2,077,768 towards the accounts receivable balance.



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

To the Board of Directors
Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Atlanta, Georgia

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 the governmental activities, each major fund, and the aggregate remaining fund information of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta ("the Organization"), as of and for the year ended June 30, 2024, and related notes to the financial statements, which collectively comprise the Organization's basic financial statements, and have issued our report thereon dated December 6, 2024.

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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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 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 deficiencies, significant deficiencies, or material weaknesses. 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.

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 entity's internal controls or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bambo Sonaike CPA, LLC

December 6, 2024



Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Board of Directors
Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Atlanta, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's major federal programs for the year ended June 30, 2024. Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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 (Government Auditing Standards); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta 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 federal program. Our audit does not provide a legal determination of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's compliance with the compliance requirements referred to above.

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 Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's federal programs.

Auditors' 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 Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta'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 GAAS, Government Auditing Standards, and the Uniform Guidance 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 Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, 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 Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta'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 Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta'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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta'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.

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 federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 federal program 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 federal program 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 control over compliance may exist that were not 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta as of and for the year ended June 30, 2024, and have issued our report thereon dated December 6, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Bambo Sonaike CPA, LLC

December 6, 2024

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2024

Federal Grantor/ Pass-through Grantor/ Program	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass-through to Sub recipients
U.S. Department of Health and Human Services:				
Pass-through from State of Georgia - Department of Behavioral health and Developmental Disabilities				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	44100-026-0000153782	\$ 4,753	\$ -
Pass-through from Fulton County				
Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program	93.686		247,915	-
Total U.S. Department of Health and Human Services			252,669	-
U.S. Department of Housing and Urban Development				
Pass-through from City of Atlanta				
Emergency Solutions Grant Program	14.231	500048, 500323	130,221	-
Pass-through from Dekalb County Community Development Department				
Emergency Solutions Grant Program	14.231	21A06-A	90,000	-
Total Assistance Listing Number 14.231			220,221	-
Pass-through from City of Atlanta				
Community Development Block Grant	14.218	CD-22-500297, 500012	245,369	-
Pass-through from City of Atlanta				
Continuum of Care Program	14.267	PSH SS HTF 23C121	50,000	-
Continuum of Care Program	14.267	RH108B24	198,584	-
Pass-through from Dekalb County				
Continuum of Care Program	14.267	GA0007L4B082214	427,830	-
Pass-through from Fulton County Georgia				
Continuum of Care Program	14.267	GA0299L4B022106	243,393	-
Pass-through from Georgia Housing and Finance Authority				
Continuum of Care Program	14.267	GA0137L4B012113 & 2214	219,066	-
Pass-through from Georgia Department of Community Affairs				
Continuum of Care Program	14.267	GA0208L4B012005	145,875	-
Pass-through from Gwinnett County Georgia				
Continuum of Care Program	14.267	GA0265L4B012209, GA0265L4B012208, GA0318L4B012206	674,542	-
Total Assistance Listing Number 14.267			1,959,290	-
Pass-through from City of Atlanta Department of Grants and Community Development				
Housing Opportunities for Persons with AIDS	14.241	HOPWA 22-24, HOPWA 20-22	3,873,765	-
Total U.S. Department of Health and Human Services			6,298,645	-

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
 Schedule of Expenditures of Federal Awards Continued
 For the year ended June 30, 2024

Federal Grantor/ Pass-through Grantor/ Program	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass-through to Sub recipients
Pass-through from Gwinnett County Community Development Program				
Coronavirus Relief Fund	21.019	CRF-HUA-044	20,000	-
Total Department of Treasury			20,000	-
U.S. Department of Veteran Affairs				
Direct				
Supportive Services for Veteran Families (SSVF)	64.033	20-GA-188	6,880,899	-
Total Department of Veteran Affairs			6,880,899	-
Total Federal Awards			\$ 13,452,212	\$ -

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
Notes to the Schedule of Expenditures of Federal Awards
For the year ended June 30, 2024

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta (the "Organization") under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). 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, change in net assets, or cash flows of the Organization.

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 the Uniform Guidance, wherein certain types of expenditures are not allowable are limited as to reimbursement.

3. Indirect Cost Rate

The Organization has elected to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

Travelers Aid of Metropolitan Atlanta, Inc. d/b/a Hope Atlanta
 Schedule of Findings and Questioned Costs
 For the year ended June 30, 2024

Section I - Summary of Auditor's Result

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Un-modified opinion

Internal control over financial reporting:

Material weakness(es) identified? No
 Significant deficiency(ies) identified? None reported

Compliance and other matters

Non-compliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? No
 Significant deficiency(ies) identified? None reported

Type of auditor's report issued on compliance for major federal programs: Un-modified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200? No

<u>Identification of major federal programs:</u>	<u>Assistance</u>
	<u>listing</u>
	<u>Numbers</u>
Community Development Block Grant	14.218
VA Supportive Services for Veteran Families Program	64.033

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as a low risk auditee? No

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Awards Findings & Questioned Costs

No matters were reported.

-End of Report-