



CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

1040 BOULEVARD SE SUITE M • ATLANTA, GA 30312 • (404) 214-5007 office • (404) 214-5010 fax

H.O.P.E, INC

(A NON PROFIT ORGANIZATION)

**AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTAL
REPORT**

FOR THE YEAR ENDING December 31, 2014

AND

INDEPENDENT AUDITORS' REPORT

Prepared By:

MELISSA D. PRESTON CPA P.C.
CERTIFIED PUBLIC ACCOUNTANT
1040 BOULEVARD SE
SUITE M
ATLANTA, GA 30312
(404) 217-1742 OFFICE
(404) 920-3312 FAX
www.prestoncpa.com



CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

1040 BOULEVARD SE SUITE M • ATLANTA, GA 30312 • (404) 217-1742 office • (404) 920-3312 fax

H.O.P.E, INC

(A NON PROFIT ORGANIZATION)

TABLE OF CONTENTS

	Page
Independent Auditors' Report	3
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 -9



CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

1040 BOULEVARD SE SUITE M • ATLANTA, GA 30312 • (404) 217-1742 office • (404) 920-3312 fax

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
H.O.P.E, Inc
PO Box 3166
Duluth, Georgia 30096

We have audited the accompanying balance sheet of H.O.P.E, Inc (a non profit organization) as of December 31, 2014, and the related statement of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on my audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of H.O.P.E, Inc. as of December 31 2014, and the changes in its net assets and its cash flow for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements taken as a whole.

Melissa D. Preston CPA P.C.

A handwritten signature in black ink, appearing to read "Melissa D. Preston", with a horizontal line extending to the right.

Atlanta, Georgia
February 16, 2015

H.O.P.E, INC
(A NON-PROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION

FOR THE YEAR ENDING DECEMBER 31, 2014

	<u>2014</u>
<u>ASSETS</u>	
CURRENT ASSETS	
Unrestricted Cash and Cash Equivalents	\$15,163
Temporarily Restricted Cash	2,928
Other Assets	<u>25</u>
TOTAL CURRENT ASSETS	<u>\$18,116</u>
FIXED ASSETS	
Computer Equipment	\$1,850
Furniture & Fixtures	<u>1,975</u>
TOTAL FIXED ASSETS	<u>\$3,825</u>
TOTAL ASSETS	<u>\$21,941</u>
<u>LIABILITIES & NET ASSETS</u>	
NET ASSETS	
Unrestricted Retained Earnings	\$37,466
Net Income	<u>(15,525)</u>
TOTAL NET ASSETS	<u>\$21,941</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$21,941</u>

See the accompanying notes and Independent Auditors' Report

**H.O.P.E, INC
(A NON PROFIT ORGANIZATION)
STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDING DECEMBER 31, 2014

REVENUES	<u>2014</u>
TEMPORARILY RESTRICTED CONTRIBUTIONS:	
Donor Restricted Contributions	\$4,000
Less: Net Asset release from restrictions	(\$4,000)
UNRESTRICTED CONTRIBUTIONS:	
Direct Public Grants:	
Grants & Other Support	\$44,549
Direct Public Support:	
Individual Donations	\$15,126
Fundraiser and Special Events	9,302
In-Kind Gifts	<u>25,563</u>
Total Unrestricted Revenue	<u>\$94,540</u>
Other Income	<u>245</u>
TOTAL REVENUES	<u>\$94,785</u>
EXPENSES	
Business & Program Expenses	\$30,360
Contract Services & Outside Services	9,136
Community Outreach	8,655
General & Administrative Expenses	4,157
Marketing & Communications	9,739
Office Occupancy Expense	1,578
Benefits	12,871
Payroll Taxes	2,572
Salaries & Wages	<u>31,242</u>
TOTAL EXPENSES	\$110,310
Change in net assets	(\$15,525)
Net assets, beginning of year	\$37,466
NET ASSETS, END OF YEAR	\$21,941

See the accompanying notes and Independent Auditors' Report

**H.O.P.E, INC
(A NON PROFIT ORGANIZATION)
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDING DECEMBER 31, 2014

	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Loss	(\$15,525)
Adjustments to reconcile net income to net cash Provided by operating activities:	
Decrease in other payables	(400)
Decrease in other asset	35
Net cash used by operating activities	(\$15,890)
NET INCREASE (DECREASE) IN CASH	(\$15,890)
CASH AND CASH EQUIVALENTS, BEG OF YEAR	\$33,981
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$18,091</u>

See the accompanying notes and Independent Auditors' Report

H.O.P.E, INC
(A NON PROFIT ORGANIZATION)
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING DECEMBER 31, 2014

NOTE 1 – NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

H.O.P.E, Inc. (a 501(c)3 tax-exempt organization) offers services that support single parents. H.O.P.E, Inc's mission is to serve low-income single parents working to obtain a college degree by providing assistance in subsidized housing, child care assistance, social services, and life skills.

A.) Basis of Accounting

The Financial Statements of the organization have been prepared on the accrual basis in accordance with Generally Accepted Accounting Principles. Income is recognized when earned by the Organization.

B.) Cash and Cash Equivalents

For purposes of reporting cash flows, cash is defined as cash on hand, amounts held at Financial Institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash. The Organization does not hold short-term investments that will mature three months or less.

C.) Property and Equipment

Equipment, furniture, and fixtures are stated at depreciated value. The organization did not purchase equipment. The equipment was donated to the organization. Expenditures for maintenance and repairs are charged to expenses as incurred. Any cost to extend the lives of property is capitalized. Depreciation of property and equipment is computed using the straight line, method over five to fifteen years. Depreciation for the year ended December 31, 2014 is \$0.

See Independent Auditors' Report

**H.O.P.E, INC
(A NON PROFIT ORGANIZATION)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDING DECEMBER 31, 2014

NOTE 1 – NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (cont'd)

D.) Contributions

The organization also adopted SFAS No 116, "Accounting for Contributions Received and Contributions Made," whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in unrestricted net assets. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period are recorded as unrestricted contributions.

E.) Estimates in Financial Statements

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates

NOTE 2 – INCOME TAXES

H.O.P.E, Inc is exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and is not classified as a private foundation. Currently, the organization engages in no activities that would be taxed as unrelated business income.

NOTE 3 – ATTESTATION OF REVENUE SOURCES

The organization mainly derives its revenues from Direct Grant Support and other contributions from the general public. The total revenues (cash received) are \$68,977 for the year ended December 31, 2014. Also, the organization received other revenues through membership dues in the amount of \$245.

See Independent Auditors' Report

H.O.P.E, INC
(A NON PROFIT ORGANIZATION)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDING DECEMBER 31, 2014

NOTE 4 – RELATED PARTY TRANSACTIONS

H.O.P.E, Inc. must comply with regulations. Those regulations require that all related party transactions be disclosed, regardless of their materiality to the financial statements. During the year ended December 31, 2014, there were no related party transactions.

NOTE 5 – CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances at Bank of America located in Atlanta, Georgia. Accounts at the banking institution are insured by the Federal Deposit Insurance Corporation for up to \$250,000. During 2014, the Institution had no uninsured balances. This is not considered significant credit risk.

NOTE 6 – SUBSEQUENT EVENT

There are no significant subsequent events that occurred up to the audit report date.

See Independent Auditors' Report

