



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Hope Station, Inc.
P.O. Box 1153
LaVergne, TN 37086

Opinion

We have audited the accompanying financial statements of Hope Station, Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2022 and December 31, 2021, and the related statements of activities, cash flows and functional expenses for the year then ended and the related notes to the financial statements.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implantation, 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.

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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 Hope Station's ability to continue as a going concern.

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 no absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive of 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 Hope Station's internal control. Accordingly, no such 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 Hope Station'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.

A handwritten signature in blue ink that reads "SPD CPA Firm". The signature is stylized and cursive.

SPD CPA Firm
May 30, 2023

HOPE STATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022 AND DECEMBER 31, 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 213,058	\$ 138,558
Overpayments (To be Refunded)	<u>-</u>	<u>2,292</u>
Total Current Assets	213,058	140,850
NONCURRENT ASSETS		
Furniture and Equipment	3,301	2,421
Accumulated Depreciation	(1,201)	(445)
TOTAL ASSETS	<u><u>\$ 215,158</u></u>	<u><u>\$ 142,826</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 17,629	\$ -
Unearned Grant Funds	135,785	-
TOTAL LIABILITIES	<u>153,414</u>	<u>-</u>
NET ASSETS		
Net Assets Without Donor Restrictions	<u>61,744</u>	<u>142,826</u>
Total Net Assets	61,744	142,826
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 215,158</u></u>	<u><u>\$ 142,826</u></u>

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

HOPE STATION
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

	<u>2022</u>	<u>2021</u>
Revenue and support		
Contributions	\$ 36,232	\$ 123,196
Fundraising Events	71,709	65,986
Grants	342,626	278,639
Total revenue and support	<u>\$ 450,567</u>	<u>467,821</u>
 Expenses		
Program Expenses	439,007	349,165
General and Administrative Expenses	72,666	57,641
Fundraising Events	19,976	15,590
	<u>531,649</u>	<u>422,396</u>
 (Decrease) Increase in Net Assets	(81,082)	45,425
 Net Assets, Beginning of Year	<u>142,826</u>	<u>97,401</u>
 Net assets, end of year	<u><u>\$ 61,744</u></u>	<u><u>\$ 142,826</u></u>

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

HOPE STATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
(Decrease) Increase in net assets	\$ (81,082)	\$ 45,425
Adjustments to reconcile change used in net assets to used net cash provided by (used in) operating activities:		
Depreciation	756	356
Due from paycor	2,292	(2,292)
Decrease in deferred compensation	-	(3,300)
Increase in accounts payable	17,629	-
Increase in unearned grant funds	135,785	-
Net cash provided by operating activities	<u>75,380</u>	<u>40,189</u>
 Cash flows from investing activities		
Purchase of office equipment	<u>(880)</u>	<u>(2,421)</u>
Net cash used by investing activities	<u>(880)</u>	<u>(2,421)</u>
 Cash flows from financing activities	-	-
 Net increase in cash and cash equivalents	74,500	37,768
Cash and cash equivalents, beginning of year	<u>138,558</u>	<u>100,790</u>
Cash and cash equivalents, end of year	<u><u>\$ 213,058</u></u>	<u><u>\$ 138,558</u></u>

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