

# **THE 100 BLACK MEN OF ATLANTA, INC**

## **INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS PRESENTATION**

**DECEMBER 31, 2022**

**Prepared By: Eric Perdue, CPA**

**100 BLACK MEN OF ATLANTA, INC.  
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To the Board of Directors  
100 Black Men of Atlanta, Inc.  
101 Jackson Street NE, 2<sup>nd</sup> Floor  
Atlanta, Georgia 30312

### **Report on the Financial Statements**

We have audited the accompanying State of Financial Position of the 100 Black Men of Atlanta, Inc. (a nonprofit organization) as of December 31, 2022, and the related Statement of Activities and Statement of Cash Flows and Functional Expenses for the fiscal year then ended, and the related Notes to the Financial Statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the generally accepted accounting principles in the United States of America. This includes the design, implementation, and maintenance of the internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control

Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of the 100 Black Men of Atlanta, Inc. as of December 31, 2022, and its support, revenue, and expenses, and cash flows for the year ended, on the basis of accounting described in Note 1.

### **Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describe the basis of accounting. The financial statements are prepared on the modified cash basis of accounting in accordance with generally accepted accounting principles (GAAP) in the United States of America.

*Eric W. Perdue, CPA*

IKO BUSINESS GROUP, INC.  
Eric W. Perdue, CPA

October 18, 2023



# **THE 100 BLACK MEN OF ATLANTA, INC**

## **Independent Auditor's Assessment Of Internal Controls**

**DECEMBER 31, 2022**

**Prepared By: Eric Perdue, CPA**

To the Board of Directors  
100 Black Men of Atlanta, Inc.  
101 Jackson Street NE, 2<sup>nd</sup> Floor  
Atlanta, Georgia 30312

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 Not-for-Profit Auditing Standards as set forth by the AICPA, the financial statements of the 100 Black Men of Atlanta, Inc., as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the 100 Black Men of Atlanta's basic financial statements and have Issued our report thereon dated October 20, 2023.

### **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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 100 Black of Atlanta's, Internal controls. Accordingly, we do not express an opinion on the effectiveness of the 100 Black Men of Atlanta's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

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. For the year ending December 31, 2022, we consider the deficiencies discovered during the 2021 assessment of internal controls by the previous audit firm to no longer be a serious issue, as the recommended policies and procedures by said firm have been implemented. The previous high-level material deficiencies are as follows:

Control Environment – Level of risk: **High**

Cash – Level of risk: **High**

Procurement – Level of risk: **High**

Accounts Receivables and/or Pledges Receivables Level of risk: **High**

Accounts Payable – Level of risk: **High**

In conclusion, the processes, policies and control procedures implemented as recommended by the July 2022 independent internal control assessment has significantly impacted the safeguarding of assets and prevention of fraudulent financial activities in a **positive** way.

Eric W. Perdue, CPA

IKO BUSINESS GROUP, INC.  
Eric W. Perdue, CPA

October 19, 2023

**100 BLACK MEN OF ATLANTA, INC  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2022**

<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and Cash Equivalents	565,656.79
Accounts Receivable	<u>(53,985.98)</u>
<b>TOTAL CURRENT ASSETS</b>	<b>511,670.81</b>
<b>LONG-TERM ASSETS</b>	
Long-Term Investments	697,476.91
Property & Equipment, Net	120,895.44
Right-of-Use Assets	<u>136,744.00</u>
<b>TOTAL LONG-TERM ASSETS</b>	<b><u>955,116.35</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>1,466,787.16</u></u></b>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts Payable	61,355.03
Deferred Revenue	58,140.00
Other Current Liabilities	<u>(30,285.73)</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>89,209.30</b>
<b>LONG-TERM LIABILITIES</b>	
Right-of-Use Lease Liability	136,744.00
Line of Credit	<u>325,000.00</u>
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>461,744.00</b>
<b>NET ASSETS</b>	
Without Donor Restrictions	915,833.86
With Donor Restrictions	<u>0.00</u>
<b>TOTAL NET ASSETS</b>	<b><u>915,833.86</u></b>
<b>TOTAL NET ASSETS &amp; LIABILITIES</b>	<b><u><u>1,466,787.16</u></u></b>

The accompanying notes are an integral part of the financial statements



**100 BLACK MEN OF ATLANTA, INC  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Without Restrictions</u>	<u>With Restrictions</u>	<u>TOTAL</u>
<b>PUBLIC SUPPORT</b>			
Individuals	137,314.10	24,231.90	161,546.00
Corporate	971,429.56	213,240.60	1,184,670.16
Special Events	228,942.47	0.00	228,942.47
<b>TOTAL PUBLIC SUPPORT</b>	<b>1,337,685.97</b>	<b>237,472.50</b>	<b>1,575,158.63</b>
<b>REVENUE</b>			
Member Dues & Assessments	119,065.58	105,586.83	224,652.41
Other Income			0.00
Net Appreciation of Investments			0.00
Investment Earning			0.00
<b>TOTAL REVENUE</b>	<b>119,065.58</b>	<b>105,586.83</b>	<b>224,652.41</b>
<b>Net Assets Released</b>			
From restrictions by Payments & Reclassification	<u>343,059.33</u>	<u>(343,059.33)</u>	0.00
<b>TOTAL SUPPORT &amp; REVENUE</b>	<b>1,799,811.04</b>	<b>0.00</b>	<b>1,799,811.04</b>
<b>EXPENSES</b>			
<b>Program Services</b>			
Special Events (Including In-Kind)	43,949.97	0.00	43,949.97
Project Success	1,021,152.16	0.00	1,021,152.16
Other Programs	550,512.34	0.00	550,512.34
<b>Total Program Services</b>	<b>1,615,614.47</b>	<b>0.00</b>	<b>1,615,614.47</b>
<b>Support Services</b>			
Mgmt. & General	577,919.71	0.00	577,919.71
<b>Total Support Services</b>	<b>577,919.71</b>	<b>0.00</b>	<b>577,919.71</b>
<b>TOTAL EXPENSES</b>	<b>2,193,534.18</b>	<b>0.00</b>	<b>2,193,534.18</b>
<b>CHANGE IN NET ASSETS</b>	<b>(393,723.14)</b>	<b>0.00</b>	<b>(393,723.14)</b>
Net Assets - Beginning of Period	1,309,557.00	0.00	1,309,557.00
<b>Net Assets -End of Period</b>	<b>915,833.86</b>	<b>0.00</b>	<b>915,833.86</b>

The accompanying notes are an integral part of the financial statements

**100 BLACK MEN OF ATLANTA, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	(393,723.14)
Adjustments: Increase / (Decrease) in Operating Liabilities	173,286.84
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>(220,436.30)</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Increase (Decrease) due to Investing Activities	19,082.09
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Increase (Decrease) due to Financing Activities	325,000.00
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<b>NET INCREASE (DECREASE) IN CASH</b>	<b>123,645.79</b>
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Cash & Cash Equivalents - Beginning of Period	442,011.00
Cash & Cash Equivalents - End of Period	<b>565,656.79</b>

The accompanying notes are an integral part of the financial statements

**100 BLACK MEN OF ATLANTA, INC  
STATEMENT OF FUNCTIONAL EXPENSES  
AS OF DECEMBER 31, 2022**

	Program Services				Support Serv Mgmt & Gen	TOTAL
	Special	Project	Other	TOTAL		
	Events	Success	Programs			
<b>PERSONNEL</b>						
Salaries & Wages	0.00	339,727.10	0.00	339,727.10	31,955.83	371,682.93
Payroll Taxes & Benefits	0.00	79,876.18	0.00	79,876.18	44,990.01	124,866.19
<b>TOTAL PERSONNEL</b>	<b>0.00</b>	<b>419,603.28</b>	<b>0.00</b>	<b>419,603.28</b>	<b>76,945.84</b>	<b>496,549.12</b>
<b>PROGRAM ACTIVITIES</b>						
Program Expenses	3,875.00	132,548.16	212,430.91	348,854.07	97,140.76	445,994.83
Professional Services	40,022.22	359,422.15	4,300.00	403,744.37	223,695.65	627,440.02
Contractual	0.00	40,526.00	45,271.56	85,797.56	31,357.00	117,154.56
Tuition	0.00	17,494.77	250,308.05	267,802.82	0.00	267,802.82
Meeting & Conference	0.00	0.00	0.00	0.00	0.00	0.00
Travel	52.75	3,482.52	0.00	3,535.27	288.94	3,824.21
Robotics	0.00	0.00	22,287.87	22,287.87	0.00	22,287.87
Marketing & Promotions	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL PROGRAM ACTIVITIES</b>	<b>43,949.97</b>	<b>553,473.60</b>	<b>534,598.39</b>	<b>1,132,021.96</b>	<b>352,482.35</b>	<b>1,484,504.31</b>
<b>BUILDING OPERATIONS</b>						
Computer & Software Expense	0.00	5,013.78	0.00	5,013.78	27,090.49	32,104.27
Space Costs	0.00	24,989.44	0.00	24,989.44	62,830.16	87,819.60
Office Supplies	0.00	12,020.26	1,860.75	13,881.01	11,863.47	25,744.48
Taxes, Licenses & Fees	0.00	6,051.80	5,541.36	11,593.16	20,358.69	31,951.85
Telephone	0.00	0.00	0.00	0.00	0.00	0.00
insurance	0.00	0.00	0.00	0.00	11,165.35	11,165.35
Printing Expense	0.00	0.00	0.00	0.00	0.00	0.00
Data Processing Expense	0.00	0.00	8,511.84	8,511.84	1,665.31	10,177.15
Interest Expense	0.00	0.00	0.00	0.00	13,518.05	13,518.05
Repairs & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00
Equipment Rentals	0.00	0.00	0.00	0.00	0.00	0.00
In-Kind Expenses	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL BUILDING OPPS</b>	<b>0.00</b>	<b>48,075.28</b>	<b>15,913.95</b>	<b>63,989.23</b>	<b>148,491.52</b>	<b>212,480.75</b>
<b>TOTAL EXPENSES</b>	<b>43,949.97</b>	<b>1,021,152.16</b>	<b>550,512.34</b>	<b>1,615,614.47</b>	<b>577,919.71</b>	<b>2,193,534.18</b>

The accompanying notes are an integral part of the financial statements



**100 BLACK MEN OF ATLANTA, INC.  
NOTES TO THE FINANCIAL STATEMENTS**

**Note 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

100 Black Men of Atlanta, Inc. (the "Organization") was organized in 1986 as a non-profit corporation. The mission of the Organization is to provide support and improve the quality of life for African Americans, and youth, in the Atlanta community through self-help programs and activities. The organization's current focus is mentoring, hands-on initiatives related to education, and economic empowerment.

**Basis of Accounting**

The accompanying financial statements of the Organization have been in accordance with generally accepted accounting principles (GAAP) in the United States of America.

**Basis of Financial Presentation**

The financial statement presentation follows the recommendations of the Financial Accounting & Standards Board in the Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-profit Organizations*. Under SFAS No. 117, three classes of net assets, unrestricted, temporarily restricted net assets, and permanently restricted net assets, are reported in the financial statements. Description of the net asset categories are Net Assets without Donor Restrictions and net Assets with Donor Restrictions as follows:

- a) Unrestricted net assets – Net assets that are not subject to the grantor or non-imposed stipulations.
- b) Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.
- c) Permanently restricted net assets – Net assets subject to the grantor or donor-imposed stipulations that they are maintained permanently by the Organization to use all or part of the assets for general or specific purposes. To our knowledge, there were no permanently restricted net assets as of December 31, 2022.



### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) of the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The Organization bases its estimates on historical experience and various other assumptions that it believes are reasonable under the circumstances. Actual results could differ from those estimates.

### **Cash and Cash Equivalents**

Cash and cash equivalents generally consist of cash on hand and cash held in money market and demand deposit accounts. The Organization considers all highly liquid investments with an original maturity of three months or less from the date of purchase to be cash equivalents. The Organization maintains cash balances at certain banks that may sometimes exceed Federal Deposit Insurance Corporation limits. On December 31, 2022, the Organization had no accounts that exceeded Federally insured limits.

### **Accounts Receivable**

Per the 100 Black Men of Atlanta accounting policies, accounts and other receivables are stated at their unpaid balances and deemed fully collectible with no provision for uncollectible accounts made for these receivables. Management periodically reviews the collectability of these amounts, and when an account is deemed to be uncollectible, a charge is made to bad debt expense, and the receivable is removed from the books and records.

Per the financial statements & supporting books and records, the accounts receivables balance sheet account had a credit or negative balance of \$53,986.00 at December 31, 2022. In most cases, this would indicate an understatement of earned income in the amount of the negative balance, i.e., \$53,986. However, no proof of unreported income was presented or uncovered during the course of the audit. As stated in the audit report, "the financial statements are the responsibility of management". This includes the presentation of the financial statements for audit. In conclusion, the negative accounts receivable balance is the result of poor and inadequate bookkeeping as it relates to this important balance sheet account.

### **Investments**

Investments are presented in the financial statements at their fair market value as determined by quoted market prices. Realized and unrealized gains and losses are reflected in the statement of activities as net appreciation (depreciation) of investments.

**Note 7 – Contingencies**

In 2021, the Organization had a whistleblower investigation regarding misappropriation of funds. The Organization recorded a charge to bad debt expense in the Statement of Activities in 2021. Any recovery will be recorded and recognized when funds are received. No contingent liabilities, i.e., pending lawsuits, etc. were disclosed or uncovered during the course of the 2022 audit.

**Note 8 – Related Party Transactions**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 850, Related Party Disclosures, establishes the requirements for related party disclosures.

There are no related party transactions to report and/or disclose.