HORIZONS ATLANTA, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

With Independent Auditor's Report Thereon

HORIZONS ATLANTA, INC.
DECEMBER 31, 2025 AND 2024

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FULTON & KOZAK
certified public accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Horizons Atlanta, Inc.
Atlanta, Georgia

Opinion

We have audited the accompanying financial statements of Horizons Atlanta, 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 Horizons Atlanta, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Horizons Atlanta, Inc. 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 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 Horizons Atlanta, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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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 generally accepted 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, including omissions, 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 generally accepted 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 Horizons Atlanta, 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 Horizons Atlanta, 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.



Morrow, Georgia
November 12, 2026

HORIZONS ATLANTA, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

ASSETS

	2025	2024
CURRENT ASSETS		
Cash	$ 443,531	$ 1,131,716
Investments	-	11,392
Accounts receivable	48	92,940
Contributions receivable	250	24,250
Grants receivable	75,000	156,759
Prepaid expenses	7,896	4,903
TOTAL CURRENT ASSETS	526,725	1,421,960
LONG-TERM GRANTS RECEIVABLE	40,000	30,000
TOTAL ASSETS	$ 566,725	$ 1,451,960

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	$ 406,317	$ 146,149
Accrued expenses	1,790,093	1,808,152
Accrued payroll	30,132	42,565
Unearned revenue	5,160	163,445
TOTAL CURRENT LIABILITIES	2,231,702	2,160,311
TOTAL LIABILITIES	2,231,702	2,160,311
NET (DEFICIT)ASSETS		
Without donor restrictions	(1,849,577)	(923,351)
With donor restrictions	184,600	215,000
TOTAL NET DEFICIT	(1,664,977)	(708,351)
TOTAL LIABILITIES AND NET DEFICIT	$ 566,725	$ 1,451,960

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

HORIZONS ATLANTA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
In-kind revenue – host institutions	$ 1,492,412	$ -	$ 1,492,412
Foundation grants	690,743	154,600	845,343
Individual contributions	499,395	-	499,395
Site level funds	436,273	-	436,273
Corporate giving	102,291	-	102,291
Government grants	57,803	-	57,803
Event revenue, net of direct benefit to donors of $42	18,687	-	18,687
Interest revenue	11,400	-	11,400
Registration fees	10,567	-	10,567
Other revenue	3,891	-	3,891
Public support and revenue	3,323,462	154,600	3,478,062
Net assets released from restrictions	185,000	(185,000)	-
TOTAL PUBLIC SUPPORT AND REVENUE	3,508,462	(30,400)	3,478,062
EXPENSES			
Program services	3,756,446	-	3,756,446
Supporting services:			
Management and general	336,682	-	336,682
Fundraising	341,560	-	341,560
Total supporting services	678,242	-	678,242
TOTAL EXPENSES	4,434,688	-	4,434,688
CHANGES IN NET ASSETS	(926,226)	(30,400)	(956,626)
NET ASSETS (DEFICIT): AT BEGINNING OF YEAR	(923,351)	215,000	(708,351)
AT END OF YEAR	$(1,849,577)	$ 184,600	$(1,664,977)

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

HORIZONS ATLANTA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
In-kind revenue – host institutions	$ 857,589	$ -	$ 857,589
Foundation grants	317,000	75,000	392,000
Individual contributions	236,131	-	236,131
Site level funds	212,463	-	212,463
Corporate giving	76,926	-	76,926
Government grants	282,132	-	282,132
Event revenue, net of direct benefit to donors of $15,358	23,719	-	23,719
Interest revenue	31,305	-	31,305
Other revenue	93,024	-	93,024
Public support and revenue	2,130,289	75,000	2,205,289
Net assets released from restrictions	900,000	(900,000)	-
TOTAL PUBLIC SUPPORT AND REVENUE	3,030,289	(825,000)	2,205,289
EXPENSES			
Program services	3,933,932	-	3,933,932
Supporting services:			
Management and general	204,099	-	204,099
Fundraising	299,238	-	299,238
Total supporting services	503,337	-	503,337
TOTAL EXPENSES	4,437,269	-	4,437,269
CHANGES IN NET ASSETS	(1,406,980)	(825,000)	(2,231,980)
NET ASSETS (DEFICIT):			
AT BEGINNING OF YEAR	483,629	1,040,000	1,523,629
AT END OF YEAR	$ (923,351)	$ 215,000	$ (708,351)

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

HORIZONS ATLANTA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services	Management and General	Fundraising	Total
Direct site	$ 3,382,087	$ -	$ -	$ 3,382,087
Salaries and wages	269,246	109,354	134,079	512,679
Professional fees	-	149,043	140,584	289,627
Employee benefits	24,877	23,894	12,388	61,159
Office	21,549	24,919	12,040	58,508
Payroll taxes	20,987	8,524	10,451	39,962
Indirect site	32,306	-	-	32,306
Bad debt expense	-	-	24,340	24,340
Insurance	-	14,764	-	14,764
Meetings	3,363	1,996	447	5,806
Professional development	1,557	4,075	-	5,632
Marketing	-	-	3,878	3,878
Fundraising	474	83	3,292	3,849
Postage	-	30	61	91
TOTAL EXPENSES	$ 3,756,446	$ 336,682	$ 341,560	$ 4,434,688

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

HORIZONS ATLANTA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services	Management and General	Fundraising	Total
Direct site	$ 3,552,429	$ -	$ -	$ 3,552,429
Salaries and wages	237,873	82,009	188,237	508,119
Professional fees	228	66,877	34,083	101,188
Employee benefits	23,765	8,158	18,807	50,730
Office	22,020	22,460	13,961	58,441
Payroll taxes	19,363	5,916	15,322	40,601
Indirect site	66,012	-	-	66,012
Bad debt expense	-	-	10,210	10,210
Insurance	-	11,497	-	11,497
Meetings	7,105	4,193	1,690	12,988
Professional development	5,137	366	-	5,503
Marketing	-	1,324	10,908	12,232
Fundraising	-	-	5,876	5,876
Printing	-	748	144	892
Postage	-	551	-	551
TOTAL EXPENSES	$ 3,933,932	$ 204,099	$ 299,238	$ 4,437,269

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

HORIZONS ATLANTA, 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	$ (956,626)	$(2,231,980)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Donated stock	(11,160)	(6,001)
Decrease (Increase) in operating assets:		
Contributions receivable	24,000	214,792
Grants receivable	81,759	595,741
Accounts receivable	92,892	(92,940)
Prepaid expenses	(2,993)	85,974
Long-term grants receivable	(10,000)	56,081
Increase (Decrease) in operating liabilities:		
Accounts payable	260,168	86,278
Accrued expenses	(18,059)	422,124
Accrued payroll	(12,433)	24,976
Unearned revenue	(158,285)	(6,819)
NET CASH USED IN OPERATING ACTIVITIES	(710,737)	(851,774)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from investments	22,552	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	22,552	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	(688,185)	(851,774)
CASH AT BEGINNING OF YEARS	1,131,716	1,983,490
CASH AT END OF YEARS	$ 443,531	$ 1,131,716

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

HORIZONS ATLANTA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

1. ORGANIZATION

Horizons Atlanta, Inc. provides tuition-free, high-quality academic enrichment to K-8 students from underserved communities year round, with its hallmark program held each summer on the campuses of independent schools, colleges, and universities. Through joyful, hands-on learning, students strengthen core academic skills, guard against summer learning loss, and grow in curiosity and confidence, with continued support throughout the school year. Horizons Atlanta, Inc. believes that every child in Atlanta, regardless of background, deserves equal access to high-quality educational opportunities and an equal chance to thrive. The Organization provides this opportunity by eliminating the critical barriers to success that many children face, thus putting them on a path to: read proficiently by the end of third grade, achieve eighth grade math competency, build swimming skills and self-confidence, and graduate from high school college and career ready.

The Organization's support comes primarily from individual donors' contributions and corporate and foundation gifts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Basis of accounting
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Horizons Atlanta, Inc. classifies its net assets and revenues and expenses, gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Horizons Atlanta, Inc. and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of the organization. These net assets may be used at the discretion of Horizons Atlanta, Inc.'s management and the board of directors.

Board designated – Assets designated by the Board to be held for endowment or other specified purposes. The Board can elect to remove these designations in the future.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Those restrictions will be met by actions of Horizons Atlanta, Inc. or by the passage of time.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Contributions that are restricted by donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions in the statement of activities as net assets released from restrictions.

Cash and cash equivalents

Horizons Atlanta, Inc. considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. For the years ended December 31, 2025 and 2024, Horizons Atlanta, Inc. did not have cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. The prior year balance is donated stock. These investments are measured at level 1 of the fair value hierarchy established by Accounting Standards Codification 820, Fair Value Measurements, for financial assets and liabilities. Level 1 investments have quoted prices in active markets for identical assets or liabilities.

Contributions and grants receivable

Unconditional promises to give are recognized as revenues or gains in the period received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue.

Equipment

Equipment is capitalized at cost. It is Horizons Atlanta, Inc.'s policy to capitalize expenditures for these items in excess of $2,500. Lesser amounts are generally expensed. Equipment is being depreciated over estimated useful lives of five years using a straight-line method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Estimates

Management makes estimates and assumptions related to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare the financial statements in conformity with GAAP. Actual results could differ from these estimates.

Revenue and revenue recognition

Horizons Atlanta, Inc. recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Federal, state and local grants

A portion of Horizons Atlanta, Inc.'s revenue is derived from cost-reimbursable federal, state and local contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Horizons Atlanta, Inc. has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position. Horizons Atlanta, Inc. did not receive any advance payments for the years ended December 31, 2025 and 2024.

Income taxes

Horizons Atlanta, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is only subject to federal or state income taxes on specific types of income from activities that are unrelated to its exempt purpose. Horizons Atlanta, Inc. had no income from unrelated activities and has no income taxes due as of December 31, 2025 and 2024.

Horizons Atlanta, Inc.'s application of ASC 740 regarding uncertain tax positions had no effect on its financial position as management believes it has no material unrecognized income tax benefits, including any potential risk of loss of its not-for-profit tax status. Horizons Atlanta, Inc. would account for any potential interest or penalties related to possible future liabilities for unrecognized income tax benefits as income tax expense. Horizons Atlanta, Inc. is no longer subject to examination by federal, state or local tax authorities for periods before 2022.

Allocation of functional expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of Horizons Atlanta, Inc.. Those expenses including salaries and wages, payroll taxes, employee benefits, office expenses, professional fees, professional development, printing, fundraising, meetings, insurance and depreciation, which are allocated on the basis of estimates of time and effort.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Reclassifications
Certain reclassifications have been made to the prior year's combined financial statements to conform them to the current year's presentation.

Subsequent events
Subsequent events have been evaluated through November 12, 2026, which is the date the financial statements were available to be issued.

3. AVAILABILITY AND LIQUIDITY

The following represents Horizons Atlanta, Inc.'s financial assets at December 31, 2025, reduced by amounts not available for expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

Financial assets:	
Cash	$ 443,531
Accounts receivable	48
Contributions receivable	250
Grants receivable	75,000
Financial assets at year-end	518,829
Less amounts unavailable to be used within one year:	
Net assets with donor restrictions	(144,600)
Financial assets available to meet general expenditures over the next year	$ 374,229

Horizons Atlanta, Inc.'s goal is generally to maintain financial assets to meet 6 months of operating expenses. As part of its liquidity plan, Horizons Atlanta, Inc. keeps a portion of cash reserves in a savings account.

4. OPERATING LEASES

Beginning on July 1, 2020, Horizons Atlanta, Inc. moved to a month-to-month lease for their office space. Total rent expenses incurred for the years ended December 31, 2025 and 2024 were $7,200 and $7,200, respectively.

5. RELATED PARTY TRANSACTIONS

Many of Horizons Atlanta, Inc.'s board members are representatives from the host institutions. As of December 31, 2025 and 2024, expenses paid by Horizons Atlanta, Inc. to those host institutions totaled $643,403 and $1,387,768, respectively. As of December 31, 2025 and 2024, accrued expenses to those host institutions totals $1,437,520 and $1,181,852, respectively. Payments to host institutions were for the purpose of reimbursing expenses required for the operation of the Horizons Atlanta, Inc. programs at those host institutions, in accordance with advanced written agreements and pre-approved budgets.

6. NET ASSETS

Net assets with donor restrictions were as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Subject to expenditures for specific purpose:		
Restricted for passage of time	$ 150,000	$ 165,000
Restricted for summer programs	34,600	-
Restricted for program expansion	-	50,000
Total net assets with donor restrictions	$ 184,600	$ 215,000

Net assets with donor restrictions released from restrictions were as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Restricted for passage of time	$ 135,000	$ 325,000
Restricted for program expansion	50,000	550,000
Restricted for summer programs	-	25,000
Total released from restrictions	$ 185,000	$ 900,000

7. BOARD DESIGNATED - CAPITAL RESERVE

In 2019, the board of directors established a Capital Reserve to accumulate resources to provide financial stability through unbudgeted decreases in revenue or increases in expenses or to invest in new program expansion opportunities. The board's intent is to reach a balance to cover six months of operating expenses to ensure the continuity of its programs through unanticipated financial challenges.

7. BOARD DESIGNATED - CAPITAL RESERVE – Continued

Funds are allocated to the Capital Reserve from one-half of any realized prior year's operating surpluses. Any balance of remaining annual operating surplus balance not needed to fund a current year shortfall is designated to the Capital Reserve at the end of the current fiscal year.

Changes in board designated net assets for capital reserve are as follows:

Balance at 12/31/2023	$ 483,629
Used for current year shortfall	(483,629)
Balance at 12/31/2024	$ -
Used for current year shortfall	-
Balance at 12/31/2025	$ -

8. IN-KIND CONTRIBUTIONS

Additionally, the host institutions share a portion of the site's program expenses with Horizons Atlanta, Inc. During the years ended December 31, 2025 and 2024, Horizons Atlanta, Inc. received in-kind support from host institutions of $1,492,412 and $857,589, respectively. This support was used to cover costs at each site's summer program.

9. PENSION PLAN

Horizons Atlanta, Inc. has a defined contribution pension plan for its eligible employees. Horizons Atlanta, Inc. began an employer match in September 2022. Horizons Atlanta, Inc. contributed a total of $9,018 and $9,811 to this plan during the years ended December 31, 2025 and 2024, respectively.

10. CONCENTRATION OF RISK

At certain times during the years, Horizons Atlanta, Inc. had funds in excess of federally insured deposit limits on deposit with federally insured financial institutions. However, management does not believe that this creates any undue risk for Horizons Atlanta, Inc. As of December 31, 2025, Horizons Atlanta, Inc.'s deposits in excess of F.D.I.C. coverage were $148,687.

11. GOING CONCERN

The accompanying financial statements have been prepared assuming that Horizons Atlanta, Inc. will continue as a going concern.

Horizons Atlanta, Inc. has experienced recurring operating losses, a deficiency in net assets, and significant outstanding obligations to partner sites. These conditions raise substantial doubt about the Organization's ability to continue as a going concern.

Management has developed plans to address these conditions, including a structured repayment plan for partner site obligations in the coming years, expanded fundraising efforts, and the engagement of a fractional chief development officer. Management has concluded that these plans alleviate substantial doubt about Horizons Atlanta, Inc.'s ability to continue as a going concern within one year after the date the financial statements are available to be issued, November 12, 2026.

The financial statements do not include any adjustments that might result from the outcome of this uncertainty.