Faith-Hope-Love-Charity, Inc.
Audited Financial Statements &
Single Audit Reports

For the Year Ended September 30, 2024

Faith-Hope-Love-Charity, Inc.
Audited Financial Statements &
Single Audit Reports

For the Year Ended September 30, 2024

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Faith-Hope-Love-Charity, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Faith-Hope-Love-Charity, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2024, and the related statements of activities, functional expenses and cash flows for the year 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 Faith-Hope-Love-Charity, Inc. as of September 30, 2024, and the changes in its net assets and its cash flows 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. 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 Faith-Hope-Love-Charity, 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 Faith-Hope-Love-Charity, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 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 and Government 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 Faith-Hope-Love-Charity, 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 Faith-Hope-Love-Charity, 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.

Report on Supplementary 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated July 30, 2025, on our consideration of Faith-Hope-Love-Charity, Inc.'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 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 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 Faith-Hope-Love-Charity, Inc.'s internal control over financial reporting and compliance.

Cassells & Associates, CPA, P.A.

Cassells & Associates, CPA, P.A.
Miramar, Florida
July 30, 2025

Faith-Hope-Love-Charity, Inc.
Statement of Financial Position
For the Year Ended September 30, 2024

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalent	$ 392,759
Certificates of Deposits	56,334
Grant Receivable - Federal Grants (Note 3)	50,191
TOTAL CURRENT ASSETS	$ 499,284
PROPERTY AND EQUIPMENT	
Property and Property Improvements (Note 2)	$ 1,016,726
Less: Accumulated Depreciation	(529,555)
Net Property and Equipment	$ 487,171
OTHER ASSETS	
Joint Venture Predevelopment Cost (Note 4)	301,070
Right of Use Assets for Operating Lease, Net (Note 7)	50,004
Other Assets	6,798
Deposits	1,750
Total Other Assets	$ 359,622
TOTAL ASSETS	$ 1,346,077

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable and Accrued Expenses	$ 49,989
Current Operating Lease Liability (Note 7)	50,004
Current Portion of Long-Term Debt (Note 5)	39,202
TOTAL CURRENT LIABILITIES	$ 139,195
NON-CURRENT LIABILITIES	
Notes Payable (Note 5)	$ 56,838
Joint Venture Predevelopment Balloon Notes Payable (Note 4)	271,164
TOTAL NON-CURRENT LIABILITIES	$ 328,002
NET ASSETS	
Without Donor Restrictions	$ 878,880
With Donor Restrictions	-
TOTAL NET ASSETS	$ 878,880
TOTAL LIABILITIES AND NET ASSETS	$ 1,346,077

The Accompanying Notes are an Integral Part of These Statements.

Faith-Hope-Love-Charity, Inc.
Statement of Activities
For the Year Ended September 30, 2024

Revenues:		
Contributions from Foundations	$	217,516
Fundraising Events		63,020
Contributions from Public Support		335,194
Program Service Fees		7,800
TOTAL REVENUE AND GAINS WITHOUT DONOR RESTRICTIONS	$	623,530
Net assets release from restrictions:		
Federal Financial Assistants	$	3,760,048
TOTAL NET ASSETS RELEASED FROM RESTRICTION	$	3,760,048
TOTAL REVENUE, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	$	4,383,578
Expenses:		
Supportive Service for Veteran Families (SSVF)	$	3,583,965
Standdown House & Grant Per Diem		707,272
Management & General		141,315
Fundraising		1,300
Total Expenses	$	4,433,852
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	$	(50,274)
NET ASSETS AT BEGINNING OF YEAR WITHOUT DONOR RESTRICTIONS	$	929,154
NET ASSETS AT END OF YEAR WITHOUT DONOR RESTRICTION	$	878,880

The Accompanying Notes are an Integral Part of These Statements.

Faith-Hope-Love-Charity, Inc.
Statement of Functional Expense
For the Year Ended September 30, 2024

	Program Service			Supporting Services	
	SSVF	Grant Per Diem & Standdown House	Total Program Services	Management & General	Fundraising
Personnel Cost	$ 918,049	$ 527,797	$ 1,445,846	$ -	$ -
Program Service Expense	2,590,708	32,128	2,622,836	-	-
Occupancy Cost	18,035	9,411	27,446	-	-
Insurance	28,526	14,886	43,412	-	-
Utilities	17,490	9,128	26,618	-	-
Telephone	9,157	5,893	15,050	2,134	-
Travel Expense	2,000	1,044	3,044	-	-
Repairs and Maintenance	-	61,264	61,264	-	-
Interest Expense	-	-	-	8,401	-
Office Expense	-	19,309	19,309	52,482	-
Professional Fees		-	-	3,320	-
Consulting Fee		-	-	74,978	
Depreciation	-	26,412	26,412		-
Fundraising Expense	-	-	-	-	1,300
	$ 3,583,965	$ 707,272	$ 4,291,237	$ 141,315	$ 1,300

The Accompanying Notes are an Integral Part of These Statements.

Faith-Hope-Love-Charity, Inc.
Statement of Cash Flows
For the Year Ended September 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (Decrease) in Net Assets	$	(50,274)
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation		26,412
(Increase) Decrease in operating assets:		
Grant Receivable		(16,298)
Prepaid Expense and Other Assets		(6,798)
Right of Use Assets for Operating Lease		53,691
Loan Receivables		-
Increase (Decrease) in operating liabilities:		
Accounts Payable and Accrued Expense		27,635
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$	34,368
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in Joint Venture	$	-
Investment in Certificate of Deposit		93,666
Purchase of Fixed Assets		-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES:	$	93,666
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on Mortgage Notes	$	(54,786)
Proceeds from Predevelopment loan		(160)
Lease Liability for Operating Lease		(53,691)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES:	$	(108,637)
NET INCREASE (DECREASE) IN CASH	$	19,397
CASH AT THE BEGINNING OF YEAR		373,362
CASH AT END OF YEAR	$	392,759
Supplemental Information:		
Interest Paid During the Year	$	8,401

The Accompanying Notes are an Integral Part of These Statements.

Faith-Hope-Love-Charity, Inc.
Notes to the Financial Statements
For the Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:
Faith-Hope-Love-Charity, Inc. (the "Organization"), was organized as a non-profit organization chartered by the State of Florida and is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Organization provides support for homeless veterans and at risk of homelessness under various programs funded through grants and contracts from the Department of Veteran Affairs.

Stand-Down House is a multi-tiered program developed to assist and support veterans who are struggling with addiction issues and have become homeless as a result of that struggle.

Supportive Services for Veteran Families (SSVF) program is awarded to the Organization by the Department of Veteran Affairs, Office of VA Health Administration Center. The programs' objective is to provide a range of supportive services to eligible Veteran families that are designed to promote housing stability among very low-income Veteran families who reside in or are transitioning to permanent housing, as well as Veterans at risk of Homelessness.

Homeless Veterans Reintegration Program (HVRP) program is awarded to the Organization by The U.S. Department of Labor, Office of Veteran's Employment and Training Services. The programs' objective is to provide services to assist in reintegrating homeless veterans into meaningful employment within the labor force; and to stimulate the development of effective service delivery systems that will address the complex problems facing homeless veterans. Funding under this program ended.

The Organization is also supported by: McFarlane Foundation, Ibis Friends of Veterans, West Palm Beach VA Medical Center, Community Foundation of Palm Beach/Martin County, Palm Beach County Sheriff's Office and donor contributions from business and individuals.

Revenue Recognition:
All grants, contracts and contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increase the respective class of net assets. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase net assets without donor restriction.

Contributions and Grant Receivable:
Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Contributions and grant receivable that are expected to be collected within one year are recorded at their net realizable value.

Property and Equipment:
The Organization capitalizes all expenditures in excess of $5,000 for property and equipment at cost. Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Routine repairs and maintenance are expensed as incurred.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash, Cash Equivalents:
The organization considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents.

Income Taxes:
The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Use of Estimates:
The preparation of the financial statements in conformity with U.S generally 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 reporting amount of revenue and expenses/expenditures during the reporting period. Actual results may differ from those estimates.

Unearned Revenue/Deferred Revenue:
Unearned revenue at the Organization arises only when the Organization receives resources before it has legal claims to them. The Organization reports deferred revenue in connection with resources that have been received, but not yet earned. At September 30, 2024, total deferred revenue was $0.

NOTE 2 - PROPERTY AND EQUIPMENT

The following is a summary of property and equipment, less accumulated depreciation:

Building and Improvements	$	883,576
Vehicles		113,359
Office Furniture and Equipment		19,791
		1,016,726
Less Accumulated Depreciation		(529,555)
Total Property & Equipment	$	487,171

Buildings and improvements are pledged as collateral for bank loans. The buildings and improvements, vehicles, and certain furniture and equipment are used for the non-profit purpose of assisting homeless veterans. Depreciation expense for the year ended September 30, 2024, was $26,412.

NOTE 3 - GRANT RECEIVABLE

Grant Receivable at September 30, 2024, consists of the following:

Department of Veterans Affairs-Standdown House	$ 36,306
Department of Veterans Affairs-SSVF	13,885
Total Grant Receivable	$ 50,191

NOTE 4 – JOINT VENTURE

The Organization is in a joint venture with another organization, under the named, The Village of Valor LTD to construct a joint project, named the Village of Valor, a multi-unit rental development to be constructed by the joint venture on land in Palm Beach County, Florida.

NOTE 4 – JOINT VENTURE (continued)

The Organization is party to a Five Hundred Thousand and no/100 dollars ($500,000) balloon mortgage agreement dated April 30, 2023, entered by the general and limited partnerships of the Village of Valor, LTD. The partnership comprises Village of Valor, LLC, KSM Holdings Florida, LLC, and Faith-Hope-Love-Charity, Inc. The Loan is for the pre-development of the Village of Valor (the Development).

The note bears interest at one percent (1.00%) per annum and shall be non-amortizing and repayment of principal and interest shall be deferred until the Maturity Date of (3) years from the date on the note. The lender can extend the terms of the Loan for an additional period if circumstances exist. The Loan is collateralized by all buildings, structures, and improvements. As of September 30, 2024, a total of $271,164 was disbursed by the lender.

As of September 30, 2024, $301,070 was invested in the joint venture, including the proceeds of $271,164 from the above-mentioned loan.

NOTE 5 - NOTES PAYABLE

At September 30, 2024, long-term debt was comprised of the following:

$500,000 1st Mortgage note agreement. The note requires monthly payments of $3,243 including interest at the Federal Home Loan Bank of Atlanta Rate index plus 2.75%. At September 30, 2019, the interest rate was 4.05%. The loan is secured by property and fully matures on March 9th, 2027.	$ 92,452
$262,500 1st Mortgage note agreement for the purchase of a property. Requires monthly payments of $1,997 including interest at 4.68%. The loan is secured by property and matures on November 10, 2024.	3,588
Total Note Payable	$ 96,040
Less Current Portion	(39,202)
Long Term Portion	$ 56,838

Loan maturities for each of the five years following September 30, 2024, are as follows:

2025	$ 39,202
2026	37,559
2027	19,279
Total	$ 96,040

Total interest paid for the year ending September 30, 2024, was $ 8,401.

NOTE 6 - CONTINGENCY

The grant revenue amounts are subject to audit and adjustments. If any expenditures or expenses are disallowed by the grantor as a result of such audit, any claim from reimbursement to the grantor agencies would become a liability of the Organization. In the opinion of management, all expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

NOTE 7 - COMMITMENTS

Leases as of September 30, 2024, were adopted, with modified retrospective application. Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, "Leases (Topic 842)" (ASC 842), which replaces existing leasing rules with a comprehensive lease measurement and recognition standard and expanded disclosure requirements. ASC 842 requires lessees to recognize most leases on their balance sheets as liabilities, with corresponding right-of-use" assets. For income statement recognition purposes, leases are classified as either a finance or an operating lease without relying upon bright-line tests.

The key change upon adoption of the standard was balance sheet recognition, given that the recognition of lease expense on our income statement is similar to our historical accounting. We selected the package of practical expedients permitted under the transition guidance within the new standard, which, among other things, allowed us to carry forward our historical lease classification. We excluded leases with original terms of one year or less. Additionally, we elected to not separate lease and non-lease components for certain classes of assets. Our accounting for finance leases did not change from our prior accounting for capital leases. The adoption of ASC 842 resulted in the recognition of an operating lease liability of $50,004 and an operating right-of-use asset of the same amount.

NOTE 8 - CONCENTRATION OF REVENUE SOURCES

Approximately 85% of the Organization's revenue is derived from grants from the Department of Veterans Affairs, which are renewed annually. The current level of the Organization's operations and program services may be impacted, or segments discontinued if the funding is not renewed each year. As of September 30, 2024, the Organization reported $3,760,048 in grant and contract funding from the Department of Veterans Affairs. Reference should be made to the Schedule of Expenditures of the Federal Awards (which is outside the basic Financial Statements).

NOTE 9 - UNCERTAIN TAX POSITIONS

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

NOTE 10 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year-end	$ 499,284
Less those unavailable for general expenditures within one year, due to restrictions:	-
Financial assets available to meet cash needs for general expenditure within one year	$ 499,284

NOTE 11 - SUBSEQUENT EVENTS

Subsequent events were evaluated through July 30, 2025, which is the date the financial statements were available to be issued.

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

The Board of Directors
Faith-Hope-Love-Charity, Inc.

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 Faith-Hope-Love-Charity, Inc. (a nonprofit organization), which comprise the statement of financial position for the year ended September 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Faith-Hope-Love-Charity, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Faith-Hope-Love-Charity, Inc.'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 the 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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-01 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Faith-Hope-Love-Charity, Inc.'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 determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards,* and which are described in the accompanying Schedule of Finding, Question Cost and Recommendations as item 2024-01.

Faith-Hope-Love-Charity, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Faith-Hope-Love- Charity, Inc.'s response to the findings identified in our audit and described in the accompanying Schedule of Finding, Questioned Costs and Recommendations. Faith-Hope-Love-Charity, Inc.'s response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

Cassells & Associates, CPA, P.A.

Cassells & Associates, CPA, P.A.
Miramar, Florida
July 30, 2025

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INDEPENDENT AUDITORS' 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

The Board of Directors
Faith-Hope-Love-Charity, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Faith-Hope-Love-Charity, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Faith-Hope-Love-Charity, Inc.'s major federal programs for the year ended September 30, 2024. Faith-Hope-Love-Charity, Inc.'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, Faith-Hope-Love-Charity, Inc., complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 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 Faith-Hope-Love-Charity, Inc. 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 Faith-Hope-Love-Charity, Inc.'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 Faith-Hope-Love-Charity, Inc.'s federal programs.

Auditor's 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 Faith-Hope-Love-Charity, Inc.'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 generally accepted auditing standards, *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 Faith-Hope-Love-Charity, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Faith-Hope-Love-Charity, Inc.'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 Faith-Hope-Love-Charity, Inc.'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 Faith-Hope-Love-Charity, Inc.'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-01. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Faith-Hope-Love-Charity, Inc.'s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Faith-Hope-Love-Charity, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 Faith-Hope-Love-Charity, Inc. as of and for the year ended September 30, 2024, and have issued our report thereon dated July 30, 2025, 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.

Cassells & Associates, CPA, P.A.

Cassells & Associates, CPA, P.A.
Miramar, Florida
July 30, 2025

Faith-Hope-Love-Charity, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2024

Federal Agency, Pass-through Entity/Program or Cluster Title	ALN	Federal Expenditures
Department of Veteran Affairs		
Direct Program:		
VA Supportive Services for Veteran Families (SSVF)	64.033	$ 3,583,965
VA Homeless Providers Grant and Per Diem Program	64.024	264,428
Total Expenditures of Federal Awards		$ 3,848,393

The Accompanying Notes are an Integral Part of These Statements

Faith-Hope-Love-Charity, Inc.
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2024

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Faith-Hope-Love-Charity, Inc. under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of Faith-hope-Love-Charity, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Faith-hope-Love-Charity, Inc

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1) 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 or are limited as to reimbursements.

2) Pass-through entity identifying numbers are presented where available.

NOTE C – INDIRECT COST RATES

Faith-Hope-Love-Charity, Inc. has elected not to use the 10-percent de minimis indirect coat rate allowed under the Uniform Guidance.

Faith-Hope-Love-Charity, Inc.
Schedule of Finding and Questioned Costs
For the Year Ended September 30, 2024

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditor's report issued:	Unqualified Opinion	
Internal control over financial reporting:		
Material weakness(es) identified?	___**Yes**	__√__ No
Significant deficiency(ies) identified not considered to be material weakness(es)?	___**Yes**	__√__ None Reported
Non-compliance material to financial statements noted?	___**Yes**	__√__ No

Federal Award Programs:

Internal control over major award program:		
Material weakness(es) identified?	___**Yes**	__√__ No
Significant deficiency(ies) identified not considered to be material weakness(es)?	__√__ **Yes**	___ None Reported
Type of auditor's report issued on compliance for major award programs:	Unqualified Opinion	
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance	____√ **Yes**	____ No

Identification of major federal program:

Federal Programs	**ALN No.**
VA Supportive Services for Veteran Families (SSVF)	64.033
VA Homeless Provider Grant and Per Diem Program	64.024

Dollar threshold used to distinguish between Type A and Type B Program	$750,000	
Auditee qualifies as low-risk auditee?	___ **Yes**	__√__ **No**

Faith-Hope-Love-Charity, Inc.
Schedule of Finding, Questioned Costs and Recommendations
For the Year Ended September 30, 2024

SECTION III - FEDERAL AWARDS FINDING AND QUESTIONED COSTS

Finding 2024-01	Untimely Submission of package data collection to the Federal Audit Clearinghouse in a timely manner as required by Uniform Guidance and Section 320(a) of OMB Circular A-133.
Federal Agency	U.S. Department of Veteran Affairs (VA)
Program Name	Supportive Services for Veteran Families (SSVF)
Award Number	13-FL-096
Award ALN#	64.033
Expenditures	$3,583,965
Federal Agency	U.S. Department of Veteran Affairs (VA)
Program Name	Homeless Providers Grant and Per Diem Program
Award Number	FHLC807-0001-548-SI-18-0
Award ALN#	64.024
Expenditures	$264,428
Questioned Costs	None

Requirements:
One of the requirements of the Federal Audit Clearinghouse is that qualifying auditees must submit Form SFSAC and the Single Audit reporting package annually within nine months of the end of their audit period.

Conditions Found:
Faith-Hope-Love-Charity, Inc., did not close its accounting records for the year under audit in a timely manner.

Effect:
Failure of Faith-Hope-Love-Charity, Inc., to close its accounting records on time led to the late commencement of the audit, consequently, noncompliance with federal regulations regarding data collection filing.

Recommendation:
We recommend that Faith-Hope-Lov-Charity, Inc. review and reorganize its accounting department and make necessary changes that would facilitate early closing of its financial records immediately after the end of the year.

Faith-Hope-Love-Charity. Inc.'s Response:
The Board of Directors recognizes the importance of ensuring that the accounting period is "closed" in a timely manner to meet the requirement of the Uniform Guidance and Section 320(a) and OMB Circular A- 133. Therefore, the Board has reorganized the accounting department beginning with the hiring of a new staff accountant. These changes will ensure the accounting period is "closed" in a timely manner to meet all requirements of Section 320(a) and OMB Circular A-I33.

Faith-Hope-Love-Charity, Inc.
Summary Schedule of Prior Audit Findings
For the Year Ended September 30, 2024

SECTION III - FEDERAL AWARDS FINDING AND QUESTIONED COSTS

The same matters were reported on the prior year's finding.