ATLANTA-FULTON PUBLIC LIBRARY FOUNDATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

With Independent Auditor's Report Thereon

ATLANTA-FULTON PUBLIC LIBRARY FOUNDATION, INC.
DECEMBER 31, 2024 AND 2023

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Atlanta-Fulton Public Library Foundation, Inc.
Atlanta, GA

Opinion

We have audited the accompanying financial statements of Atlanta-Fulton Public Library Foundation, Inc. (the "AFPLF") which comprise the statements of financial position as of December 31, 2024 and 2023 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 Atlanta-Fulton Public Library Foundation, Inc. as of December 31, 2024 and 2023, 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 the AFPLF 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; this includes 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 the AFPLF'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

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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 statement.

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 the AFPLF'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 the AFPLF'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.

Fulton & Kozak, LLC

Morrow, Georgia
September 29, 2025

ATLANTA-FULTON PUBLIC LIBRARY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 362,452	$ 503,488
Contributions receivable	27,138	31,804
Prepaid expenses	20,241	217
TOTAL CURRENT ASSETS	409,831	535,509
OTHER ASSETS		
Security deposit	850	850
TOTAL ASSETS	$ 410,681	$ 536,359
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 20,970	$ 30,960
TOTAL CURRENT LIABILITIES	20,970	30,960
TOTAL LIABILITIES	20,970	30,960
NET ASSETS		
Without donor restrictions	84,096	278,333
With donor restrictions	305,615	227,066
TOTAL NET ASSETS	389,711	505,399
TOTAL LIABILITIES AND NET ASSETS	$ 410,681	$ 536,359

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

ATLANTA-FULTON PUBLIC LIBRARY FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions and grants	$ 223,827	$ 206,444	$ 430,271
In-kind contributions	23,500	-	23,500
Interest revenue	2,418	-	2,418
Support and revenues	249,745	206,444	456,189
Net assets released from restrictions due to satisfaction of donor-imposed restrictions	127,895	(127,895)	-
TOTAL SUPPORT AND REVENUES	377,640	78,549	456,189
EXPENSES			
Program services	316,502	-	316,502
Supporting services			
Management and general expenses	118,800	-	118,800
Fundraising expenses	136,575	-	136,575
Total supporting services	255,375	-	255,375
TOTAL EXPENSES	571,877	-	571,877
CHANGES IN NET ASSETS	(194,237)	78,549	(115,688)
NET ASSETS:			
AT BEGINNING OF YEAR	278,333	227,066	505,399
AT END OF YEAR	$ 84,096	$ 305,615	$ 389,711

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

ATLANTA-FULTON PUBLIC LIBRARY FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions and grants	$ 372,780	$ 14,263	$ 387,043
In-kind contributions	12,000	-	12,000
Interest revenue	2,542	-	2,542
Support and revenues	387,322	14,263	401,585
Net assets released from restrictions due to satisfaction of donor-imposed restrictions	126,244	(126,244)	-
TOTAL SUPPORT AND REVENUES	513,566	(111,981)	401,585
EXPENSES			
Program services	265,399	-	265,399
Supporting services			
Management and general expenses	129,825	-	129,825
Fundraising expenses	147,037	-	147,037
Total supporting services	276,862	-	276,862
TOTAL EXPENSES	542,261	-	542,261
CHANGES IN NET ASSETS	(28,695)	(111,981)	(140,676)
NET ASSETS:			
AT BEGINNING OF YEAR	307,028	339,047	646,075
AT END OF YEAR	$ 278,333	$ 227,066	$ 505,399

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

ATLANTA-FULTON PUBLIC LIBRARY FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program activities	Management and general	Fundraising	Total
Grants	$ 224,133	$ -	$ -	$ 224,133
Personnel expenses	70,189	58,389	56,039	184,617
Advertising and promotion	20,849	4,032	78,575	103,456
Accounting	-	24,406	-	24,406
General and administrative	1,331	9,790	1,332	12,453
Occupancy	-	12,000	-	12,000
Conferences and meetings	-	10,183	629	10,812
TOTAL EXPENSES	$ 316,502	$ 118,800	$ 136,575	$ 571,877

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

ATLANTA-FULTON PUBLIC LIBRARY FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program activities	Management and general	Fundraising	Total
Grants	$ 187,619	$ -	$ -	$ 187,619
Personnel expenses	76,395	65,574	51,279	193,248
Advertising and promotion	484	5,280	94,178	99,942
Accounting	-	24,324	-	24,324
General and administrative	901	8,606	492	9,999
Occupancy	-	12,000	-	12,000
Conferences and meetings	-	14,041	1,088	15,129
TOTAL EXPENSES	$ 265,399	$ 129,825	$ 147,037	$ 542,261

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

ATLANTA-FULTON PUBLIC LIBRARY FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (115,688)	$ (140,676)
Decrease (Increase) in operating assets:		
Contributions receivable	4,666	47,716
Prepaid expenses	(20,024)	-
Other assets	-	150
(Decrease) Increase in operating liabilities:		
Accounts payable	(9,990)	13,927
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(141,036)	(78,883)
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	(141,036)	(78,833)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEARS	503,488	582,371
CASH AND CASH EQUIVALENTS AT END OF THE YEARS	$ 362,452	$ 503,488

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

1. ORGANIZATION

Atlanta-Fulton Public Library Foundation, Inc. (the "AFPLF") is a Georgia corporation, exempt from income taxes under section 501(c)(3) of the Internal Revenue Code. The AFPLF was established in 1988 by a small group of citizens in an effort to encourage a quality public library system by augmenting public funding.

The AFPLF has continued its original vision of generating private-sector support to supplement tax-based funding. The result has been improved collections, expanded programs and enhanced services. Individuals, governments, corporations and foundations contribute to the Foundation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

<u>Basis of accounting</u>
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").

The AFPLF's net assets and its revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the AFPLF and changes therein are classified and reported as follows:

<u>Net assets without donor restrictions</u> – 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 the AFPLF's management and the board of directors.

<u>Net assets with donor restrictions</u> – Net assets subject to donor-imposed stipulations that may or will be met by actions of the AFPLF and/or passage of time. Donor-imposed restrictions are released when restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Atlanta-Fulton Public Library Foundation, Inc. considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. The AFPLF did not have any cash equivalents for years ended December 31, 2024 and 2023.

Contributions and pledges receivable

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. Conditional promises to give are not included as support until the conditions are met.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. 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 and reported in the statements of activities as net assets released from restrictions.

Functional allocation of expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the AFPLF. All expenses have been allocated based on estimates of time and effort.

In-kind revenue

In-kind revenue consists of contribution office space provided by the Atlanta Fulton Public Library System.

Estimates

Management of the AFPLF 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income taxes

The AFPLF 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. The AFPLF had no income from unrelated activities and has no income taxes due as of December 31, 2024.

The AFPLF's application of ASC 740 regarding uncertain tax positions had no effect on its financial position as management believes the AFPLF has no material unrecognized income tax benefits, including any potential risk of loss of its not-for-profit tax status. The AFPLF would account for any potential interest or penalties related to possible future liabilities for unrecognized income tax benefits as income tax expense. The AFPLF is no longer subject to examination by federal, state or local tax authorities for periods before 2021.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent events

Subsequent events have been evaluated through September 29, 2025, which is the date the financial statements were available to be issued.

3. AVAILABILITY AND LIQUIDITY

The following represents the AFPLF's financial assets at December 31, 2024, 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 and cash equivalents	$ 362,452
Contributions receivable	27,138
Financial assets, at year-end	389,590
Less amounts unavailable to be used within one year:	
Net assets with donor restrictions	(305,615)
Financial assets available to meet cash needs for general expenditures within one year	$ 83,975

4. NET ASSETS

Net assets with donor restrictions were as follows for the years ended December 31, 2024 and 2023:

	2024	2023
Subject to expenditures for specific purpose:		
Research libraries	$ 127,391	$ 169,208
Workforce development programs	80,889	-
Public programs	45,000	-
Branch libraries	25,116	24,586
VR technology	15,600	-
Hip Hop events at AARL	5,900	5,900
Exhibitions and public education	5,718	27,372
Total net assets with donor restrictions	$ 305,614	$ 227,066

Net assets with donor restrictions released from restrictions were as follows for the years ended December 31, 2024 and 2023:

	2024	2023
Research libraries	$ 41,815	$ 15,530
Public programs	30,000	-
Workforce development programs	25,706	-
Exhibitions and public education	22,304	103,989
Branch libraries	8,069	4,125
Hip Hop events at AARL	-	2,600
Total released from restrictions	$ 127,895	$ 126,244

5. CONCENTRATION OF RISK

At certain times during the years, AFPLF 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 AFPLF. As of December 31, 2024, AFPLF's deposits in excess of FDIC coverage were $80,365.