ZION HILL COMMUNITY DEVELOPMENT CORPORATION

AUDITED FINANCIAL STATEMENTS
(TOGETHER WITH INDEPENDENT AUDITOR'S REPORT)

DECEMBER 31, 2025, and 2024

ZION HILL COMMUNITY DEVELOPMENT CORPORATION

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2025 and 2024

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Functional Expenses	6-7
Statements of Cash Flows	8
Notes to the Financial Statements	9-11

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Zion Hill Community Development Corporation

Opinion

We have audited the accompanying financial statements of Zion Hill Community Development Corporation (the "Corporation"), which comprise the statements of financial position as of December 31, 2025, and 2024, and the related statements of activities 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 the Corporation 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 audits 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 Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 the Corporation'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, 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 the Corporation'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 Corporation'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.



Atlanta, Georgia
June 9, 2026

ZION HILL COMMUNITY DEVELOPMENT CORPORATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

ASSETS	**2025**	**2024**
Cash	$ 3,196	$ 20,021
TOTAL ASSETS	$ 3,196	$ 20,021
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	$ 24,400	$ 9,644
EIDL Loan (Note 4)	197,318	201,453
TOTAL LIABILITIES	221,718	211,097
Net Assets		
Without Donor Restrictions	(218,522)	(191,076)
With Donor Restrictions	-	-
Total Net Assets	(218,522)	(191,076)
TOTAL LIABILITIES AND NET ASSETS	$ 3,196	$ 20,021

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

ZION HILL COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2025
REVENUE AND SUPPORT			
Contributions- Church	$ 150,000	$ -	$ 150,000
Grants	79,634	-	79,634
Fundraising	-	-	-
Other Support	203,314	-	203,314
TOTAL REVENUE AND OTHER SUPPORT	432,948	-	432,948
EXPENSES			
Program Services	395,913	-	395,913
Management and General	64,132	-	64,132
Fundraising	349	-	349
TOTAL EXPENSES	460,394	-	460,394
Change in Net Assets	(27,446)	-	(27,446)
Net assets beginning of year	(191,076)	-	(191,076)
Net assets at end of year	$ (218,522)	$ -	$ (218,522)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

ZION HILL COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2024
REVENUE AND SUPPORT			
Contributions- Church	$ 150,000	$ -	$ 150,000
Grants	212,350	-	212,350
Fundraising	5,076	-	5,076
Other Support	153,265	-	153,265
TOTAL REVENUE AND OTHER SUPPORT	520,691	-	520,691
EXPENSES			
Program Services	392,770	-	392,770
Management and General	98,741	-	98,741
Fundraising	3,675	-	3,675
TOTAL EXPENSES	495,186	-	495,186
Change in Net Assets	25,505	-	25,505
Net assets beginning of year	(216,581)	-	(216,581)
Net assets at end of year	$ (191,076)	$ -	$ (191,076)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

ZION HILL COMMUNITY DEVELOPMENT CORPORATION
Statement of Functional Expenses
For The Year ended December 31, 2025

	Program Services	Management and General	Fundraising	Total
Expenses				
Salaries and wages	$ 50,000	$ 1,503	$ -	$ 51,503
Payroll taxes	5,294	-	-	5,294
Other employee benefits	35,131	3,074	-	38,204
Contract Labor	139,751	15,250	-	155,001
Toys and gifts	418	233	-	651
Emergency Shelter	1,395	-	-	1,395
Alarm and security	-	2,158	-	2,158
Audit and bookkeeping	-	260	-	260
Insurance expense	-	11,239	-	11,239
Furniture expense	150	-	-	150
Janitorial and Trash Pick-up	-	2,157	-	2,157
Miscellaneous expense	2	511	-	513
Office expense	-	6,613	78	6,691
Prevention	11,687	-	-	11,687
Telephone expense	3,574	4,150	-	7,724
Food costs	-	1,732	-	1,732
Computer expense	3,979	3,430	-	7,409
Rapid Rehousing	53,089	-	-	53,089
Supplies expense	-	1,011	-	1,011
Travel and parking	28	-	-	28
Web services expense	-	159	-	159
Fundraising expenses	-	20	237	257
Z Village expenses	25,350	-	-	25,350
FLOW expenses	60,484	-	-	60,484
GROW expenses	5,157	-	-	5,157
Program expenses	421	-	-	421
Interest expense	-	10,631	-	10,631
Advertising	-	-	34	34
Professional fees	5	-	-	5
Total expenses	$ 395,913	$ 64,132	$ 349	$ 460,394

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

ZION HILL COMMUNITY DEVELOPMENT CORPORATION
Statement of Functional Expenses
For The Year ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Expenses				
Salaries and wages	$ 185,721	$ 10,273	$ -	$ 195,993
Payroll taxes	7,000	9,111	-	16,110
Other employee benefits	31,040	5,565	-	36,605
Contract Labor	-	20,053	-	20,053
Employee Bonuses	500	1,500	-	2,000
Toys	766	-	-	766
Emergency Shelter	7,282	-	-	7,282
Rent and utilities	-	-	-	-
Marta and gas cards	-	-	-	-
Alarm and security	-	695	-	695
Audit and bookkeeping	-	5,080	-	5,080
Insurance expense	-	10,136	-	10,136
Furniture expense	203	-	-	203
Janitorial and Trash Pick-up	-	2,934	-	2,934
Miscellaneous expense	434	4,048	-	4,482
Office expense	998	11,534	-	12,532
Prevention	10,354	-	-	10,354
Telephone expense	715	7,846	-	8,561
Food costs	-	81	-	81
Computer expense	8,255	3,588	-	11,842
Rapid Rehousing	2,002	-	-	2,002
Supplies expense	-	1,308	-	1,308
Travel and parking	21	41	-	62
Web services expense	-	186	-	186
Fundraising expenses	-	14	3,675	3,688
Z Village expenses	42,011	-	-	42,011
FLOW expenses	67,074	-	-	67,074
GROW expenses	25,100	-	-	25,100
Program expenses	3,294	-	-	3,294
Interest expense	-	4,751	-	4,751
Total expenses	$ 392,770	$ 98,741	$ 3,675	$ 495,186

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

ZION HILL COMMUNITY DEVELOPMENT CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (27,446)	$ 25,505
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Decrease) Increase in accounts payable	14,756	(14,556)
Net cash (used in) provided by operating activities	(12,690)	10,949
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in EIDL loan	(4,135)	(7,277)
Net cash provided by financing activities	(4,135)	(7,277)
Net (decrease) increase in cash	(16,825)	3,672
Cash - beginning of year	20,021	16,349
Cash - end of year	$ 3,196	$ 20,021
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for Interest Expenses	$ 5,627	$ 4,303

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION

Zion Hill Community Development Corporation (the "Corporation") was formed to endeavor to eradicate homelessness and poverty in the Metropolitan Atlanta area, with a focus on South Fulton, through financial assistance, education, housing, and supportive services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The organization prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for not-for-profit entities. The significant accounting and reporting policies used by the organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Basis of Accounting

The organization prepares its financial statements using the accrual basis of accounting and U.S. GAAP.

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

a) **Net Assets Without Donor Restrictions**
Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting for the nature of the organization, the environment in which it operates, the purpose specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

b) **Net Assets With Donor Restrictions**
Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions.

When a donor's restrictions is satisfied, the expiration of the restriction is reported in the financial statements by reclassifying the net assets with donor restrictions to net assets without donor restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(CONT.)

Expense Recognition and Allocation

The cost of providing the organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly. Costs common to multiple functions have been allocated among the various functions.

Income Tax Status

The organization is a not-for-profit organization that is exempt from income taxes pursuant to Section 501 (c) (3) of the Internal Revenue Code of 1986 as amended. The Organization believes more likely than not, that its exempt position will be sustained if examined by the authorities.

Use of Estimates

The preparation of financial statements requires the use of management's estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. The organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

NOTE 3 – LIQUIDITY and AVAILABILITY

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of December 31 are:

	2025	2024
Financial assets:		
Cash	$ 3,196	$ 20,021
Amount available for within one year	$ 3,196	$ 20,021

NOTE 4- NOTE PAYABLE

Note payable at December 31, 2025, is as follows:

EIDL loan payable to the U.S. Small Business Administration in the original amount of $225,000, due May 25, 2050, fixed interest rate of 2.75% payable in monthly principal and interest payments of $965.00 beginning May 25, 2021. The balance as of December 31, 2025, is $197,318.

Future minimum payments are as follows:

2026	$ 5,346
2027	5,521
2028	5,702
2029	5,889
2030	5,082
Thereafter	$ 168,778
	$ 197,318

NOTE 5- RELATED PARTY

Zion Hill Community Development Corporation receives a substantial portion of its support from the Zion Hill Baptist Church, a related organization.

NOTE 6- SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 9, 2026, which is the date the financial statements were available to be issued.