



FLYTE, INC.

Independent Auditor's Report and Financial Statements
For the Year Ended December 31, 2024

Wharton CPA, LLC

Flyte, Inc.
Table of Contents

	Page
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-10
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	11-12
Schedule of Findings and Questioned Costs	13
Status of Prior Audit Findings	14
Compensation to Agency Head	15



Independent Auditor's Report

To the Board of Directors of Flyte, Inc.:

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of Flyte, Inc., which comprise the Statement of Financial Position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Flyte as of December 31, 2024, and the changes in 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

I conducted my audit in accordance with 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Flyte, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Flyte'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

My 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 my 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 and *Government 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*, I:

- 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 Flyte'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Flyte's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on page 14 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 my 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*, I have also issued my report dated June 16, 2025 on my consideration of Flyte's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Flyte's 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 Flyte's internal control over financial reporting and compliance.

Wharton CPA, LLC

June 16, 2025
New Orleans, LA

Flyte , Inc.
Statement of Financial Position
As of December 31, 2024

<u>Assets</u>	
Cash and cash equivalents	\$ 131,938
Pledges Receivable	318,000
Micro Loans	<u>11,926</u>
Total Assets	<u><u>\$ 461,864</u></u>
<u>Liabilities</u>	
Current Liabilities	
Credit Cards	<u>\$ 4,180</u>
Total Current Liabilities	<u>4,180</u>
<u>Net Assets</u>	
Without Donor Restrictions	139,684
With Donor Restrictions	<u>318,000</u>
Total Net Assets	<u>457,684</u>
Total Liabilities and Net Assets	<u><u>\$ 461,864</u></u>

The accompanying notes are an integral part of these financial statements

Flyte, Inc.
Statement of Activities
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND OTHER REVENUES:			
Government Grants	\$ -	\$ 260,000	\$ 260,000
Philanthropic Support	-	287,125	287,125
Contributed Support	1,370	-	1,370
Contract Revenue	425	-	425
Net Assets Released from Restrictions	229,125	(229,125)	-
Total support and other revenues	230,920	318,000	548,920
Expenses			
Program Services	128,712	-	128,712
Management and General	42,880	-	42,880
Total Expenses	171,592	-	171,592
Change in Net Assets	59,328	318,000	377,328
Net Assets At Beginning of Year	80,356	-	80,356
Net Assets At End Of Year	\$ 139,684	\$ 318,000	\$ 457,684

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

Flyte, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2024

Expense	Program Services	Management and General	Total Expenses
Salaries & Wages	\$ 70,832	\$ 25,168	\$ 96,000
Payroll Taxes	5,508	1,836	7,344
Event Expense	2,003	-	2,003
Contract Services	44,164	2,352	46,516
Advertising and Marketing	3,484	-	3,484
Office Expense	-	6,576	6,576
Meals and Entertainment	560	-	560
Insurance	111	4,615	4,726
Tax and Licenses	-	1,189	1,189
Travel	118	472	590
Utilities	-	485	485
Dues and Subscriptions	1,632	90	1,722
Bank Charges	-	49	49
Rent	300	-	300
Miscellaneous	-	48	48
Total Expenses	<u>\$ 128,712</u>	<u>\$ 42,880</u>	<u>\$ 171,592</u>

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

Flyte, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2024

Cash Flows From Operating Activities:

Changes in Net Assets	\$ 377,328
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities	
Depreciation Expense	-
Unrealized and realized losses on investments	-
Changes in Operating Assets and Liabilities	
Grant Receivable	(288,000)
Micro Loans	(5,909)
Credit Cards	860
	<hr/>
Net Cash Provided by Operating Activities	84,279

Cash Flows From Investing Activities:

(Purchase) of Furniture and equipment	-
	<hr/>
Net Cash Used by Investing Activities	-
Net Increase in Cash, Cash equivalents, and Restricted Cash	84,279
Cash, Cash Equivalents, and Restricted Cash-Beginning of year	47,659
	<hr/>
Cash, Cash Equivalents, and Restricted Cash-End of year	<u><u>\$ 131,938</u></u>

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

Flyte, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2024

1. Summary of Significant Accounting Principles

General - Flyte, Inc. is a non-profit agency with a mission to empower entrepreneurs and families with the skills and resources they need to overcome systemic financial inequities. All of these systemic disparities are especially acute in low-income communities of color and require impactful and innovative solutions in order to empower families to take control of their financial futures. Flyte strives to create and deliver these solutions.

Basis of Accounting – Flyte, Inc.’s financial statements are prepared on the accrual basis of accounting, whereby revenue is recorded when earned and expenses are recorded when incurred.

Property and Equipment – Improvements which significantly extend the useful life of an asset and purchases of equipment in the amount of 1,500 or more are capitalized. The straight-line method of depreciation is used for the assets owned by Flyte, Inc. The estimated useful lives of these assets range from 3 to 40 years. Depreciation Expense for the year ended December 31, 2024 was \$-0-.

Income Taxes – Flyte, Inc. has been determined to be tax exempt under Section 501 (c) 3 of the Internal Revenue Code. Tax years 2022, 2023, and 2024 remain open for potential examination of taxing authorities. The agency’s financial exposure would exist as it relates to potential unrelated business income.

Estimates – Management uses estimate and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Functional Expenses – The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. These expenses require allocation on a reasonable basis that is consistently applied. These expenses were allocated based on estimates of time and effort.

Statement of Cash Flow – For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and having original maturities of three months or less, and which are not held for investing purposes.

Cash - Cash is comprised of cash on hand and in banks.

Flyte, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2024

Summary of Significant Accounting Policies (Continued)

Public Support and Revenue – Contributions to the Organization are recognized when cash, securities of other assets, an unconditional promise to give, or notification of beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

All contributions are considered to be available for unrestricted use unless specifically restricted by donors.

For programs, consulting fees, and exchange-type grants and contracts, revenue is recognized when earned in accordance with ASC 606, *Revenue from Contracts with Customers*. Program fees and payments under exchange-type grants and contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively.

Subsequent Events - The agency has evaluated its December 31, 2024 financial statements through the date that the financial statements were issued June 16, 2025 and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Advertising- Advertising costs are expensed as incurred, however there were \$3,484 in advertising costs for the year ended December 31, 2024.

2. Net Assets

Financial Accounting Standards Board (FASB) Accounting Standards Codification “ASC” 958, Not-for-Profit Entities, requires net assets and changes in net assets be reported for in two classifications. A description of the two types of Net Assets categories is described below:

Net Assets with donor imposed restrictions – Gifts of cash and other assets which have donor imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met or a purpose restriction is accomplished. As restrictions are met, assets are reclassified as unrestricted net assets. As of December 31, 2024, Flyte, Inc. had net assets with donor imposed restrictions of \$318,000.

Net Assets without donor imposed restrictions – Gifts of cash and other assets absent of donor imposed restrictions. As of December 31, 2024, Flyte, Inc. had net assets without donor imposed restrictions of \$139,684.

Flyte, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2024

3. Pledges Receivable

As of December 31, 2024 the agency's pledges receivable in the amount of \$318,000 consisted of the following:

City of New Orleans (ARPA) funds	\$180,000
Baptist Community Ministries	<u>138,000</u>
Total	\$318,000

4. Grant Revenue

Government Grant revenue consists of a \$260,000 federal subrecipient grant award from the American Rescue Plan Act through the City of New Orleans.

5. Economic Dependency

Flyte, Inc. receives the majority of its revenue from grants. The agency's ability to acquire grant funds each year significantly impacts their revenues and operations. In the year ended 2024, 80% of total support was from one (2) funding sources.

6. Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the agency in accordance with its' applicable reimbursement policy.

7. Net Assets With Donor Restrictions

Net Assets With Donor Restrictions consist of the following at December 31, 2024:

Purpose Restricted and Time Restricted:

Entrepreneur Empowerment Program with 3, 12-month cycles	\$180,000
--	-----------

Total Purpose and Time Restricted

Time Restricted:

Philanthropic Support	<u>\$138,000</u>
-----------------------	------------------

Total Net Assets with Restrictions	<u><u>\$318,000</u></u>
------------------------------------	-------------------------

Flyte, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2024

8. Net Assets Released from Restrictions

Net Assets Released from Donor Restrictions consist of the following at December 31, 2024:

Purpose and Time Restricted:

Entrepreneur Empowerment Program with 3, 12-month cycles	\$80,000
--	----------

Time Restricted:

Philanthropic Support	\$ <u>149,125</u>
-----------------------	-------------------

Total Net Assets Released from Restrictions	<u><u>\$229,125</u></u>
---	-------------------------

SUPPLEMENTAL INFORMATION



**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***

To the Board of Directors of Flyte, Inc.:

I 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 Flyte, Inc., as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Flyte's basic financial statements, and have issued my report thereon dated June 16, 2025.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Flyte's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Flyte's internal control. Accordingly, I do not express an opinion on the effectiveness of Flyte'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.

My consideration of 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. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Flyte's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted certain matters that I reported to management of Flyte, Inc. in a separate letter dated June 16, 2025.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wharton CPA, LLC

New Orleans, Louisiana
June 16, 2025

Flyte, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

There are no current year findings or questioned costs.

Flyte, Inc.
Status of Prior Year Findings
For the Year Ended December 31, 2024

There were no prior year findings and/or questioned costs.

Flyte, Inc.

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer

Year Ended December 31, 2024

Agency Head Name: Alexander Bigbie

Purpose	Amount
Salary	\$96,000
Benefits-insurance	0.00
Benefits-retirement	0.00
Contracted Services	4,669
Car allowance	0.00
Vehicle provided by government	0.00
Per diem	0.00
Reimbursements (Storage Fees)	\$
Reimbursements (Supplies)	\$
Reimbursements (Postage)	\$
Travel *****Student Field Trip	0.00
Registration fees	0.00
Conference travel	0.00
Continuing professional education fees	0.00
Housing	0.00
Unvouchered expenses*	0.00
Special meals	0.00
TOTAL	\$100,669

*an example of an unvouchered expense would be a travel advance