

WESTFAIR RIDES, INC. d/b/a TRA

**Financial Statements
Year Ended June 30, 2023
With Comparative Financial Information
as of June 30, 2022
With Independent Auditors' Report**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
WestFair Rides, Inc. d/b/a TRA
Mount Kisco, New York

Opinion

We have audited the accompanying financial statements of WestFair Rides, Inc. d/b/a TRA (a nonprofit organization) which comprise the statement of financial position as of June 30, 2023, and the related statement of activities and change in net assets, 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 WestFair Rides, Inc. d/b/a TRA as of June 30, 2023, 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 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 sections of our report. We are required to be independent of WestFair Rides, Inc. d/b/a TRA and to meet our other 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.

Management's Responsibility 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 WestFair Rides, Inc. d/b/a TRA'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 judgement 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 WestFair Rides, Inc. d/b/a TRA'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 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 WestFair Rides, Inc. d/b/a TRA'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 Summarized Comparative Information

We have previously audited WestFair Rides, Inc. d/b/a TRA's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 22, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Tobin & Company
Certified Public Accountants, PC

Purchase, New York
January 3, 2024

WestFair Rides, Inc. d/b/a TRA

Statements of Financial Position

<i>As of June 30,</i>	2023	2022
ASSETS		
Cash and cash equivalents	\$ 31,941	\$ 18,065
Grants receivable (Note 4)	200,182	339,824
Contract asset (Note 4)	48,979	-
Prepaid expenses and other	6,487	29,033
Property, plant, and equipment, net	51,438	65,628
Total Assets	\$ 339,026	\$ 452,550
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 33,431	\$ 18,115
Accrued expenses	45,175	30,541
Line of credit	60,000	120,000
Loan payable	-	60,000
Total liabilities	138,605	228,656
Net assets:		
Without donor restrictions	189,483	187,981
With donor restrictions	10,937	35,914
Total net assets	200,420	223,894
Total Liabilities and Net Assets	\$ 339,026	\$ 452,550

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

WestFair Rides, Inc. d/b/a TRA

Statements of Activities and Changes in Net Assets (With summarized financial information for year ended June 30, 2022)

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
Support and revenue:				
Contributions	\$ 37,324	\$ -	\$ 37,324	\$ 82,610
Government grants	703,141	10,938	714,079	730,773
Donated services	164,592	-	164,592	141,333
Net assets released from restrictions	35,914	(35,914)	-	-
Total support and revenue	940,971	(24,976)	915,995	954,716
Expenses:				
Program expenses	870,636	-	870,636	740,430
Fundraising	620	-	620	56,029
Supporting services	68,213	-	68,213	40,429
Total expenses	939,469	-	939,469	836,888
 Increase (Decrease) in net assets	 1,502	 (24,976)	 (23,474)	 117,827
 Net assets, beginning of the year	 187,981	 35,914	 223,894	 106,067
 Net assets, end of the year	 \$ 189,483	 \$ 10,937	 \$ 200,420	 \$ 223,894

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

WestFair Rides, Inc. d/b/a TRA

Statement of Functional Expenses (With summarized financial information for year ended June 30, 2022)

	Program Services	Supporting Services	Fundraising	2023 Total	2022 Total
Payroll	\$ 419,259	\$ 14,187	\$ -	\$ 433,446	\$ 348,688
Donated goods and services	162,564	2,027	-	164,591	141,393
Professional fees	58,233	37,578	-	95,811	160,784
Ride hailing expenses	47,312	-	-	47,312	49,033
Payroll taxes	43,821	1,431	-	45,252	30,111
Employee benefits	36,134	1,180	-	37,314	34,904
Office expense	25,153	11,000	-	36,153	24,012
Vehicle	24,253	-	-	24,253	5,481
Depreciation	14,190	-	-	14,190	5,321
Travel	11,934	211	-	12,145	9,128
Insurance	8,946	292	-	9,238	6,983
Telephone	6,897	225	-	7,122	4,077
Printing	5,618	-	-	5,618	8,916
Interest expense	2,522	82	-	2,604	2,894
Dues and subscriptions	2,395	-	-	2,395	2,463
Postage	620	-	620	1,240	1,842
Special events: outreach	785	-	-	785	859
Total Expenses	\$ 870,636	\$ 68,213	\$ 620	\$ 939,469	\$ 836,888

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

WestFair Rides, Inc. d/b/a TRA

Statements of Cash Flows

<i>For the years ended June 30,</i>	2023	2022
Cash flows from operating activities:		
Increase (Decrease) in net assets	\$ (23,474)	\$ 117,827
Adjustments to reconcile change in net assets to		
Net cash provided by operating activities:		
Depreciation	14,190	5,321
Changes in assets and liabilities:		
(Increase) Decrease in grants receivable	139,643	(185,114)
Increase in contract asset	(48,979)	-
(Increase) Decrease in prepaid expenses and other	22,546	(14,522)
Increase (Decrease) in accounts payable and accrued expenses	29,950	(997)
Net cash provided by (used in) operating activities	133,876	(77,485)
Cash flows from investing activities		
Purchase of vehicles	-	(70,949)
Cash flows from financing activities:		
Proceeds from line of credit	370,000	355,000
Proceeds from loan payable	-	60,000
Repayment of line of credit	(430,000)	(265,000)
Repayment of loan payable	(60,000)	-
Net cash provided by (used in) financing activities	(120,000)	150,000
Net increase in cash and cash equivalents	13,876	1,566
Cash and cash equivalents at beginning of year	18,065	16,499
Cash and cash equivalents at end of year	\$ 31,941	\$ 18,065
Supplemental disclosures		
Interest paid	\$ 2,604	\$ 2,894
Contributed non-financial assets	\$ 164,592	\$ 141,333

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

Note 1 - Organization

Established in 2011, WestFair Rides, Inc. d/b/a TRA (the “Organization”) manages a collaborative mobility management network that serves older residents aged 60+ and adults 21+ with low vision. Carefully screened volunteers drive older adults and adults with low vision to medical appointments across Westchester County, NY, helping to ensure that they receive the care they need. The Organization also maintains a call center and a central directory of transportation resources for Westchester County, NY and Fairfield County, CT, which makes it available to community partners online and to the general public by phone. To reduce costs and provide backup rides when needed, the Organization shares its online volunteer management information systems with three Aging in Place Organizations (At Home on Sound, SPRYE, and New Rochelle Cares). The Organization participates in collaborative networks with Westchester County Livable Communities, aging in place programs and other nonprofit organizations and ride providers.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements are presented in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification. Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization’s board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenue Recognition

Grants

A significant portion of the Organization’s revenue is derived from cost-reimbursable federal, state, and local grants, which are conditioned upon the incurrence of allowable qualifying expenses. Expense-based grants are recognized into revenue as allowable expenses, as outline in grant agreements, are incurred and performance obligations satisfied. Revenues from contracting agencies are subject to audit by the agencies. No provision for any disallowance is reflected in the financial statements since management does not anticipate any material adjustments

Contract Assets

Contract assets represent grant payments due from performance obligations completed but that are not yet billable. Contract assets at June 30, 2023, were \$48,979. Billing for these contract assets are expected to occur during 2024.

Note 2 - Summary of Significant Accounting Policies (continued)

Grants Receivable

Grants receivable from contracting agencies are recorded when earned and stated at the amount billed. Interest is not charged or accrued on outstanding receivables.

Pledges Receivable and Contributions

Unconditional contributions are recognized when pledged and 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. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax Status

The Organization is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

The Organization has evaluated the recognition requirements for uncertain income tax positions as required by accounting principles generally accepted in the United States of America, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions on June 30, 2023 and 2022.

Cash and Cash Equivalents

For purposes of the Statements of Financial Position, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

Financial instruments, that potentially subject the Organization to concentrations of credit risk, consist of cash and cash equivalents. At times during the year such investments may be in excess of Federal Deposit Insurance Corporation (FDIC) limits.

Note 2 - Summary of Significant Accounting Policies (continued)**Property and Equipment**

Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful lives of the assets ranging between 5 and 7 years. No asset impairments were noted at June 30, 2023.

Compensated Absences

Full-time, permanent employees of the Organization earn a vested right to compensation for unused vacation and personal leave time. Accordingly, the Organization has accrued a liability for vacation and personal leave compensation that employees have earned but not yet taken. At June 30, 2023 and 2022, the Organization had a liability of \$23,831 and \$3,874, respectively.

Advertising

The Organization uses advertising to promote its programs among the public it serves. Advertising and marketing costs are expensed as incurred. During the years ended June 30, 2023 and 2022, advertising and marketing costs totaled \$58,233 and \$143,810, respectively.

Prior year summarized information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the prorated basis determined by Management. Administrative and general expenses include expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Expense	Method of Allocation
Salaries and related	Time and effort
Occupancy	Usage
Depreciation	Usage
Insurance	Usage
Professional fees	Direct
Materials and supplies	Direct
Program	Direct

Note 2 - Summary of Significant Accounting Policies (continued)**Adoption of Pronouncements**

In February 2016, the Financial Accounting and Standards Board (FASB) issued ASU 2016-02, Leases (842). The new guidance requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and a lease liability on the statement of financial position at the date of lease commencement. The pattern of expense recognition in the statement of activities will depend on the lease's classification. For not-for-profit operations, the standard takes effect for years beginning after December 31, 2021. The Organization adopted this pronouncement effective July 1, 2022, however, there was no impact on its financial statements. As of June 30, 2023, the Organization did not have any leases.

In September 2020, the Financial Accounting Standards Board issued ASU 2020-07, Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets, to clarify the presentation and disclosure of contributed nonfinancial assets, including land, buildings, and other items. The ASU does not change existing recognition and measurement requirements for contributed nonfinancial assets. The ASU is effective for annual reporting periods beginning after June 15, 2021, with early adoption permitted. The Organization adopted the pronouncement and there was no impact on its financial statements.

Note 3 – Contributed Nonfinancial Assets

Donated services are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization. Volunteers also provided driving services throughout the year that are recognized as contributions in the financial statements since the recognition criteria under SFAS No. 116 was met.

Donated services in 2023 and 2022 consisted primarily of volunteer drivers and a dispatcher and the cost-free use of office facilities. The value of volunteer hours is set by a study conducted by the Independent Sector and was \$35.71 per hour for 2022 and \$34.59 per hour for 2021. The Organization uses those values. The value of the donated facilities is based on comparable rental space in the area. Contributed nonfinancial assets consisted of the following at June 30:

	<u>2023</u>	<u>2022</u>
Volunteer Driving Services	\$ 82,240	\$ 79,896
Office Space	48,261	39,837
Software Licenses	20,420	18,000
Office Equipment	13,671	3,600
	<u>\$ 164,592</u>	<u>\$ 141,333</u>

Note 4 – Government Grants and Contract Asset

Since 2013, the Organization has been funded by Mobility Management grants from the Federal Transit Administration (FTA) administered through the New York State Department of Transportation. The grants are used to improve communications with older adults and their adult children regarding opportunities that ensure access to scheduled medical appointments. The current grant that commenced January 1, 2020 was awarded under Section 5310, Enhanced Mobility of Seniors and Individuals with Disabilities in the amount of \$2,052,357, of which \$614,594 and \$634,648 was earned during the years ended June 30, 2023 and 2022, respectively. The grant funds eighty percent of approved expenses with twenty percent paid by a local match.

During the year ended June 30, 2023, the Organization was awarded and entered into a new grant under Section 5310, Enhanced Mobility of Seniors and Individuals with Disabilities in the amount of \$1,876,314. The grant funds eighty percent of approved expenses with twenty percent paid by a local match and is for the period January 1, 2022 through December 31, 2027. Although the Organization is set to submit reimbursement requests during 2024, \$48,979 was earned during the year ended June 30, 2023. The \$48,979 represents the Contract Asset on the Statement of Financial Position and is included in Government Grants on the Statement of Activities. All grants awarded under the Mobility Management Program are subject to a closeout financial audit by the NYS Department of Transportation at the end of each grant cycle. New York State also contracts with a national accounting firm to audit program compliance with federal and state regulations every three years. The Organization has been audited through 2022 with no changes to expenses funded.

In addition, the Organization receives additional grants from various organizations/agencies throughout the year. Non-FTA government grants received during 2023 and 2022 totaled \$58,076 and \$38,731, respectively. Grants receivable as of June 30, 2023 and 2022 was \$200,182 and \$339,825, respectively.

Note 5 – Property, Plant, and Equipment

Property, plant, and equipment consisted of the following as of June 30:

As of June 30,	2023	2022
Vehicles	\$ 70,949	\$70,949
Less: accumulated depreciation	(19,511)	(5,321)
Vehicles, Net	\$ 51,438	\$65,628

Depreciation expense at June 30, 2023 and 2022 was \$14,190 and \$5,321, respectively.

Note 6 – Line of Credit

The Organization secured a line of credit with Tompkins Community Bank for \$100,000 on September 30, 2020. During 2022, the line of credit was increased to \$200,000 and is set to mature on October 4, 2025. The interest rate on advanced funds will be approximately 2% above the bank's prime rate. As of June 30, 2023 and 2022, the interest rate was 10.25% and 6.75%, respectively. As of June 30, 2023 and 2022, the Organization had \$60,000 and \$120,000 drawn on this line of credit, respectively. As of June 30, 2023 and 2022, and through the date of the financials, the Organization was in compliance with bank covenants related to the line of credit.

Note 7 – Notes Payable

During February 2022, the Organization entered into two \$30,000 (\$60,000 total) commercial vehicle loans with Tompkins Community Bank at a fixed interest rate of 3.99%. The note is secured by the vehicles of the Organization and requires the Organization to meet customary financial covenants as described in the agreement. The first six months of the loan requires monthly interest payments only, then converting to an 18-month principal and interest period. As of June 30, 2023 and 2022, the loans had an outstanding balance due of \$0 and \$60,000, respectively. The Organization paid off these loans in full during July 2022.

Note 8 - Functional Allocation of Expenses

The cost of providing the various programs and supporting services has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Note 9 – Liquidity

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	2023	2022
Cash and equivalents	\$ 31,941	\$ 18,065
Grant receivable and contract asset	249,161	339,824
Less: assets with donor restrictions	(10,937)	(35,914)
Total available	\$ 270,164	\$ 321,976

The Organization was awarded funding through June 30, 2023 from the Federal Transit Administration (Note 4). Management intends to apply for continued funding through available grants. Liquidity is also available on a temporary basis through borrowing on the line of credit (Note 6).

Note 10 – Net Assets with Donor Restrictions

At June 30, 2023 and 2022, the Organization's net assets with donor restrictions were \$10,937 and \$35,914, respectively. These assets were restricted for the purpose of providing donor specific outreach support.

Note 11 – Retirement Plan

In 2020, the Organization established a 401(k)-retirement plan ("the Plan") for all eligible employees. Participants are immediately eligible for salary deferral contributions and can receive company matching contributions up to 3% of their annual income. The Plan has been adopted by the Organization for the purpose of rewarding long and loyal service employees with additional security at retirement. The Organization's 401(K) matching expense for the years ended June 30, 2023 and 2022 was \$9,060 and \$8,336, respectively.

Note 12 – Reclassification

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation.

Note 13 – Subsequent Events

The Organization has evaluated subsequent events through January 3, 2023, which is the date the financial statements were available to be issued.