

TRA GROUP, INC.
Financial Statements and
Supplemental Information
June 30, 2025 and 2024
(With Independent Auditors' Report Thereon)

TRA GROUP, INC.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
TRA Group, Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of TRA Group, Inc. (the Organization) (a nonprofit organization) which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TRA Group, Inc. as of June 30, 2025, 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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.

Prior Period Financial Statements

The financial statements of TRA Group, Inc. as of June 30, 2024 were audited by other auditors whose report dated January 16, 2025 expressed an unmodified opinion on those statements.

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 Organization'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 auditors' 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 and Governmental 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 the Organization'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 Organization'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.

Supplemental 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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 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 accompanying supplemental 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 February 10, 2026, on our consideration of the Organization'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 solely 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 the effectiveness of the Organization'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 the Organization's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
February 10, 2026

TRA GROUP, INC.
Statements of Financial Position
June 30, 2025 and 2024

| | <u>Assets</u> | <u>2025</u> | <u>2024</u> |
|--------------------------------------|---------------|-------------------|-------------------|
| Assets: | | | |
| Cash and equivalents | | \$ 29,354 | 24,799 |
| Grants receivable | | 410,122 | 411,910 |
| Prepaid expenses | | 48,233 | 11,081 |
| Property and equipment, net | | <u>23,059</u> | <u>37,249</u> |
| Total assets | | <u>\$ 510,768</u> | <u>485,039</u> |
| <u>Liabilities and Net Assets</u> | | | |
| Liabilities: | | | |
| Accounts payable | | 35,993 | 28,607 |
| Accrued payroll and related expenses | | 63,518 | 47,494 |
| Line of credit | | <u>116,000</u> | <u>194,000</u> |
| Total liabilities | | <u>215,511</u> | <u>270,101</u> |
| Net assets: | | | |
| Without donor restrictions | | 295,257 | 214,426 |
| With donor restrictions | | <u>-</u> | <u>512</u> |
| Total net assets | | <u>295,257</u> | <u>214,938</u> |
| Contingency (note 12) | | <u> </u> | <u> </u> |
| Total liabilities and net assets | | <u>\$ 510,768</u> | <u>485,039</u> |

See accompanying notes to financial statements.

TRA GROUP, INC.
Statement of Activities
Year ended June 30, 2025
with comparative totals for 2024

| | Without donor <u>restrictions</u> | With donor <u>restrictions</u> | <u>Totals</u> | |
|--|---|--------------------------------------|------------------|------------------|
| | | | <u>2025</u> | <u>2024</u> |
| Revenue: | | | | |
| Government grants | \$ 916,256 | - | 916,256 | 802,465 |
| Grant income - employee retention credit | 74,616 | - | 74,616 | - |
| Contributed nonfinancial assets | 171,121 | - | 171,121 | 159,799 |
| Contributions | 64,696 | - | 64,696 | 49,083 |
| Interest | 5,958 | - | 5,958 | 1,043 |
| Other revenue | 1,669 | - | 1,669 | 2,089 |
| Net assets released from restrictions | <u>512</u> | <u>(512)</u> | <u>-</u> | <u>-</u> |
| Total revenue | <u>1,234,828</u> | <u>(512)</u> | <u>1,234,316</u> | <u>1,014,479</u> |
| Expenses: | | | | |
| Program expenses | 1,078,710 | - | 1,078,710 | 943,178 |
| Management and general | 70,535 | - | 70,535 | 56,226 |
| Fundraising | <u>4,752</u> | <u>-</u> | <u>4,752</u> | <u>557</u> |
| Total expenses | <u>1,153,997</u> | <u>-</u> | <u>1,153,997</u> | <u>999,961</u> |
| Change in net assets | 80,831 | (512) | 80,319 | 14,518 |
| Net assets at beginning of the year | <u>214,426</u> | <u>512</u> | <u>214,938</u> | <u>200,420</u> |
| Net assets at end of the year | <u>\$ 295,257</u> | <u>-</u> | <u>295,257</u> | <u>214,938</u> |

See accompanying notes to financial statements.

TRA GROUP, INC.
Statement of Activities
Year ended June 30, 2024

| | <u>Without donor restrictions</u> | <u>With donor restrictions</u> | <u>Total</u> |
|---------------------------------------|---|--|------------------|
| Revenue: | | | |
| Government grants | \$ 802,465 | - | 802,465 |
| Contributed nonfinancial assets | 159,799 | - | 159,799 |
| Contributions | 48,571 | 512 | 49,083 |
| Interest | 1,043 | - | 1,043 |
| Other revenue | 2,089 | - | 2,089 |
| Net assets released from restrictions | <u>10,938</u> | <u>(10,938)</u> | <u>-</u> |
| Total revenue | <u>1,024,905</u> | <u>(10,426)</u> | <u>1,014,479</u> |
| Expenses: | | | |
| Program expenses | 943,178 | - | 943,178 |
| Supporting services | 56,226 | - | 56,226 |
| Fundraising | <u>557</u> | <u>-</u> | <u>557</u> |
| Total expenses | <u>999,961</u> | <u>-</u> | <u>999,961</u> |
| Change in net assets | 24,944 | (10,426) | 14,518 |
| Net assets at beginning of the year | <u>189,482</u> | <u>10,938</u> | <u>200,420</u> |
| Net assets at end of the year | <u>\$ 214,426</u> | <u>512</u> | <u>214,938</u> |

See accompanying notes to financial statements.

TRA GROUP, INC.
Statement of Functional Expenses
Year ended June 30, 2025
with comparative totals for 2024

| | <u>Supporting Services</u> | | | | <u>Totals</u> | |
|---------------------------------|----------------------------|---------------------------|--------------|---------------------------------|------------------|----------------|
| | Program services | Management and general | Fundraising | Total supporting services | <u>2025</u> | <u>2024</u> |
| | | | | | | |
| Payroll | \$ 591,813 | 17,528 | - | 17,528 | 609,341 | 498,120 |
| Payroll taxes | 43,312 | 1,283 | - | 1,283 | 44,595 | 41,801 |
| Employee benefits | 45,354 | 1,343 | - | 1,343 | 46,697 | 45,404 |
| Travel | 10,933 | 203 | - | 203 | 11,136 | 10,376 |
| Telephone | 4,545 | 135 | - | 135 | 4,680 | 4,246 |
| Insurance | 14,923 | 442 | - | 442 | 15,365 | 11,351 |
| Postage | 1,374 | - | 1,374 | 1,374 | 2,748 | 1,114 |
| Dues and subscriptions | 712 | - | - | - | 712 | 1,125 |
| Professional fees | 72,551 | 39,182 | - | 39,182 | 111,733 | 102,091 |
| Ride hailing expenses | 25,762 | - | - | - | 25,762 | 34,068 |
| Office expense | 36,387 | 8,512 | - | 8,512 | 44,899 | 39,454 |
| Printing | 4,373 | - | - | - | 4,373 | 7,662 |
| Outreach | 3,579 | - | - | - | 3,579 | 2,776 |
| Fundraising | - | - | 3,378 | 3,378 | 3,378 | - |
| Interest expense | 9,458 | 280 | - | 280 | 9,738 | 5,321 |
| Vehicle | 29,950 | - | - | - | 29,950 | 21,063 |
| Contributed nonfinancial assets | 169,494 | 1,627 | - | 1,627 | 171,121 | 159,799 |
| Depreciation | 14,190 | - | - | - | 14,190 | 14,190 |
| Total expenses | <u>\$ 1,078,710</u> | <u>70,535</u> | <u>4,752</u> | <u>75,287</u> | <u>1,153,997</u> | <u>999,961</u> |

See accompanying notes to financial statements.

TRA GROUP, INC.
Statement of Functional Expenses
Year ended June 30, 2024

| | <u>Supporting Services</u> | | | | |
|---------------------------------|----------------------------|--------------------|--------------------|-------------------|----------------|
| | <u>Program</u> | <u>Management</u> | | <u>Total</u> | |
| | <u>services</u> | <u>and general</u> | <u>Fundraising</u> | <u>supporting</u> | <u>Total</u> |
| | | | | <u>services</u> | |
| Payroll | \$ 485,585 | 12,535 | - | 12,535 | 498,120 |
| Payroll taxes | 40,750 | 1,051 | - | 1,051 | 41,801 |
| Employee benefits | 44,261 | 1,143 | - | 1,143 | 45,404 |
| Travel | 10,248 | 128 | - | 128 | 10,376 |
| Telephone | 4,139 | 107 | - | 107 | 4,246 |
| Insurance | 11,065 | 286 | - | 286 | 11,351 |
| Postage | 557 | - | 557 | 557 | 1,114 |
| Dues and subscriptions | 1,125 | - | - | - | 1,125 |
| Professional fees | 71,021 | 31,070 | - | 31,070 | 102,091 |
| Ride hailing expenses | 34,068 | - | - | - | 34,068 |
| Office expense | 31,129 | 8,325 | - | 8,325 | 39,454 |
| Printing | 7,662 | - | - | - | 7,662 |
| Outreach | 2,776 | - | - | - | 2,776 |
| Interest expense | 5,187 | 134 | - | 134 | 5,321 |
| Vehicle | 21,063 | - | - | - | 21,063 |
| Contributed nonfinancial assets | 158,352 | 1,447 | - | 1,447 | 159,799 |
| Depreciation | 14,190 | - | - | - | 14,190 |
| | <u>14,190</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>14,190</u> |
| Total expenses | <u>\$ 943,178</u> | <u>56,226</u> | <u>557</u> | <u>56,783</u> | <u>999,961</u> |

See accompanying notes to financial statements.

TRA GROUP, INC.
Statements of Cash Flows
Years ended June 30, 2025 and 2024

| | <u>2025</u> | <u>2024</u> |
|--|------------------|------------------|
| Cash flows from operating activities: | | |
| Change in net assets | \$ 80,319 | 14,518 |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: | | |
| Depreciation | 14,190 | 14,190 |
| Changes in: | | |
| Grants receivable | 1,788 | (162,751) |
| Prepaid expenses | (37,152) | (4,594) |
| Accounts payable | 7,386 | (4,824) |
| Accrued payroll and related expenses | <u>16,024</u> | <u>2,319</u> |
| Net cash provided by (used in) operating activities | <u>82,555</u> | <u>(141,142)</u> |
| Cash flows from financing activities: | | |
| Proceeds from line of credit | 641,000 | 550,000 |
| Repayment of line of credit | <u>(719,000)</u> | <u>(416,000)</u> |
| Net cash provided by (used in) financing activities | <u>(78,000)</u> | <u>134,000</u> |
| Net change in cash and equivalents | 4,555 | (7,142) |
| Cash and equivalents at beginning of year | <u>24,799</u> | <u>31,941</u> |
| Cash and equivalents at end of year | <u>\$ 29,354</u> | <u>24,799</u> |
| Supplemental schedule of cash flow information - cash paid during the year for interest | <u>\$ 9,738</u> | <u>5,321</u> |

See accompanying notes to financial statements.

TRA GROUP, INC.
Notes to Financial Statements
June 30, 2025 and 2024

(1) Organization

TRA Group, Inc. (the Organization) (formerly WestFair Rides, Inc.), a not for profit formed in 2011 in the State of New York, 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, New York, 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, New York and Fairfield County, Connecticut, 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.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

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.

(b) Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions represent resources available for the general support of the Organization's activities. Net assets with donor restrictions are those whose use has been limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled by actions of the Organization. The Organization had only net assets without donor restrictions at June 30, 2025.

(c) Estimates

The preparation of financial statements in accordance 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.

(d) Cash

For purposes of reporting cash flows, cash includes money market accounts and any highly liquid debt instruments purchased with a maturity of three months or less.

TRA GROUP, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(e) Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash accounts in financial institutions. The Organization maintains financial instruments at financial institutions which periodically may exceed federally insured limits. At June 30, 2025 and 2024, the Organization had no amounts in excess of the federally insured limits.

(f) Receivables and Bad Debts

Grants

The Organization records grants receivable for amounts due from government funding entities related to transportation grant programs. Receivables represent amounts expended for grant-related purposes for which reimbursement has not yet been received. As all receivables are due from a government source for expenditures previously incurred, no allowance for credit losses is considered necessary.

Contributions

Revenue from contributions is recognized when donors make an unconditional promise to give to the Organization. Historically, the Organization has not experienced difficulty in collecting these receivables. Management does not consider an allowance for credit losses to be necessary. The Organization had no contributions receivable at June 30, 2025 and 2024.

(g) Property and Equipment

Property and equipment is recorded at cost or fair value at the date of the gift in the case of donated property and equipment. If the donor stipulates how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulation, contributions of property and equipment are recorded as unrestricted support. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property and equipment, the appropriate property and equipment accounts are reduced by the related costs and accumulated depreciation. Any resulting gains and losses are reflected in the statements of activities.

(h) Long-Lived Assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. For assets held and used, if the undiscounted cash flows estimated to be generated by those assets are less than their carrying amounts, an impairment loss has occurred. The amount of the impairment loss is equal to the asset's carrying value over its estimated fair value. At June 30, 2025 and 2024, no impairment loss has been recognized by the Organization.

TRA GROUP, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(i) Accrued Compensated Absences

Full-time, permanent employees of the Organization earn a vested right to compensation for unused vacation, sick, and personal leave time. The Organization has a Paid Time Off (PTO) system that combines vacation and personal time into one fund. Accordingly, the Organization has accrued a liability for compensation that employees have earned but not yet taken. At June 30, 2025 and 2024, the accrued compensated absences amounted to \$34,961 and \$13,628, respectively, and are included in the statements of financial position in accrued payroll and related expenses.

(j) Contributed Nonfinancial Assets

During the years ended June 30, 2025 and 2024, the Organization recognized nonfinancial assets within revenue for the following:

Volunteer Driving Services

The estimated value of the services is set by a study conducted by the Independent Sector and was \$38.48 and \$37.29 per hour for the years ended June 30, 2025 and 2024, respectively.

Office Space

The estimated value of the office space is based on market rates charged per square foot.

Software Licenses

The estimated value of the software licenses is based on actual cost.

Office Equipment

The estimated value of the office equipment is based on market rates for usage.

Contributed nonfinancial assets for the years ended June 30, 2025 and 2024 are summarized as follows:

| | <u>2025</u> | <u>2024</u> |
|----------------------------|-------------------|----------------|
| Volunteer driving services | \$ 94,795 | 80,702 |
| Office space | 47,112 | 46,882 |
| Software licenses | 20,640 | 21,611 |
| Office equipment | <u>8,574</u> | <u>10,604</u> |
| | <u>\$ 171,121</u> | <u>159,799</u> |

(k) Revenue Recognition

Revenue from grants and contract services designated for use in specific activities are recognized in the year when expenditures have been incurred in compliance with the grantor's restrictions.

TRA GROUP, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(k) Revenue Recognition, Continued

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

(l) Advertising and Marketing Costs

Advertising and marketing costs are charged to operations when incurred. During the years ended June 30, 2025 and 2024, advertising and marketing costs amounted to \$72,551 and \$71,021, respectively, and are included in the statements of activities in professional fees.

(m) Expense Allocation

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and functional expenses. 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. Management 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. Certain costs have been allocated as follows:

| <u>Expense</u> | <u>Method of Allocation</u> |
|------------------------|-----------------------------|
| Salaries and related | Time and effort |
| Occupancy (donated) | Usage |
| Depreciation | Usage |
| Insurance | Usage |
| Professional fees | Direct |
| Materials and supplies | Direct |

(n) Income Taxes

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), therefore, no provision for income taxes is reflected in the financial statements. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Organization presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Organization has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Organization are subject to examination by taxing authorities.

TRA GROUP, INC.

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(o) Subsequent Events

The Organization has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(p) Reclassifications

Reclassifications have been made to certain 2024 balances in order to conform to the 2025 presentation.

(3) Liquidity

The Organization has \$439,476 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$29,354 of cash and \$410,122 of receivables. None of these financial assets are subject to donor or contractual restrictions that make them unavailable for general expenditure within one year of the 2025 statement of financial position date.

(4) Property and Equipment

Property and equipment consists of the following at June 30, 2025 and 2024:

| | <u>2025</u> | <u>2024</u> |
|-------------------------------|------------------|-----------------|
| Vehicles | \$ 70,949 | 70,949 |
| Less accumulated depreciation | <u>(47,890)</u> | <u>(33,700)</u> |
| | \$ <u>23,059</u> | <u>37,249</u> |

Depreciation expense for the years ended June 30, 2025 and 2024 amounted to \$14,190.

(5) Line of Credit

The Organization has secured a line of credit with Tompkins Community Bank for \$300,000 at June 30, 2025. The interest rate on advanced funds will be approximately 2% above the bank's prime rate. As of June 30, 2025 and 2024, the interest rate was 9.5% and 10.50%, respectively. At June 30, 2025 and 2024, the Organization had \$116,000 and \$194,000, respectively, drawn on this line of credit.

(6) Grant Revenue

A summary of grant revenue for the years ended June 30, 2025 and 2024 is as follows:

| | <u>2025</u> | <u>2024</u> |
|--|-------------------|----------------|
| Extended Mobility of Seniors and Individuals with Disabilities | \$ 902,264 | 796,389 |
| Other | <u>13,992</u> | <u>6,076</u> |
| | \$ <u>916,256</u> | <u>802,465</u> |

TRA GROUP, INC.

Notes to Financial Statements, Continued

(7) Employee Retention Credit

The Organization was eligible for and applied for the Employee Retention Credit (ERC) under the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The CARES Act provides for a refundable credit calculated based on eligible employee wages. For the year ended June 30, 2025, the Organization recorded revenue of \$74,616 on the statements of activities.

(8) Concentrations

The Organization's primary source of funding is the New York State Department of Transportation (NYSDOT). This funding was approximately 73% and 79% of the Organization's total revenue for the years ended June 30, 2025 and 2024. At June 30, 2025 and 2024, 100% of grants receivable were from the NYSDOT.

(9) Retirement Plan

The Organization sponsors a 401(k) plan (the Plan) available to all employees who meet certain eligibility requirements. During the years ended June 30, 2025 and 2024, the Organization made contributions to the Plan of \$14,096 and \$12,985, respectively.

(10) Related Party Transactions

Donated goods and services from employees amounted to \$76,326 and \$79,097 for the years ended June 30, 2025 and 2024, respectively. These consisted of office space, software licenses, and office equipment usage.

Contributions to the Organization from board members and employees amounted to \$8,359 and \$14,608 for the years ended June 30, 2025 and 2024, respectively.

(11) Net Assets With Donor Restrictions

At June 30, 2024, the Organization's net assets with donor restrictions were \$512. These assets were restricted for the purpose of providing donor specific outreach support. Net assets were released from restrictions by incurring expenses satisfying the restricted purpose by donors in the amount of \$512 and \$10,938 for the years ended June 30, 2025 and 2024, respectively.

(12) Contingency

Under the terms of various grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grant. Such questioned costs could lead to reimbursement to the grantor agencies. Management believes that it would be able to provide support acceptable to the grantor and that any disallowances would not be material.

TRA GROUP, INC.
Schedule of Expenditures of Federal Awards
Year ended June 30, 2025

| <u>Federal Grantor/Grantor Program Title</u> | <u>Assistance Listing Number</u> | <u>Pass-through Grantor's Number</u> | <u>Expenditures</u> | <u>to Subrecipients</u> |
|---|----------------------------------|--------------------------------------|---------------------|-------------------------|
| Federal Transit Administration - passed-through New York State Department of Transportation - Enhanced Mobility of Seniors and Individuals with Disabilities | 20.513 | N/A | <u>\$ 902,264</u> | <u>-</u> |

See accompanying notes to schedule of expenditures of federal awards.

TRA GROUP, INC.
Notes to Schedule of Expenditures of Federal Awards
June 30, 2025

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards programs administered by TRA Group, Inc. (the Organization). Federal awards received directly from federal agencies, as well as federal awards passed through from other government agencies, are included on the schedule of expenditures of federal awards.

(2) Basis of Accounting

The information is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

(3) Relationship to Basic Financial Statements

Federal award expenditures are reported on the statement of functional expenses as program services and any related allowable general and administrative expenses under the category of management and general expenses. In certain programs, the expenditures reported in the financial statements may differ from the expenditures reported in the Schedule of Expenditures of Federal Awards due to program expenditures exceeding grant or contract budget limitations, matching or contributed nonfinancial assets or capitalization policies required under accounting principles generally accepted in the United States of America.

(4) Indirect Costs

Indirect costs are included in the reported expenditures to the extent that such costs are included in the Federal financial reports used as the source for the data presented. The de minimis election allows the Organization to allocate 10% of indirect costs to grants with periods ending on or before September 30, 2024 and 15% of indirect costs to grants with periods after September 30, 2024. The Organization uses the de minimis elections.

**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
TRA Group, 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 TRA Group, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated February 10, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 the Organization'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 Organization'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 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 our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 financial statements. 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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.

EFPR Group, CPAs, PLLC

Williamsville, New York
February 10, 2026

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Directors
TRA Group, Inc.:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited TRA Group, Inc.'s (the Organization) (a nonprofit organization) compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2025. The Organization's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, TRA Group, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on Each Major 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 the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 the Organization's compliance with the compliance requirements referred to above.

Responsibilities for 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 the Organization's federal programs.

Auditors' Responsibility 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 the Organization'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 the Organization'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 judgement 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 the Organization'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 the Organization'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 the Organization'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.

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 the compliance requirements of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance,

such that there is a reasonable possibility that material noncompliance with a 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 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 Auditors' 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.

EFPR Group, CPAs, PLLC

Williamsville, New York
February 10, 2026

TRA GROUP, INC.
Schedule of Findings and Questioned Costs
Year ended June 30, 2025

Part I - SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- | | | | | |
|--|-------|-----|-----|---------------|
| 1. Material weakness(es) identified? | _____ | Yes | _x_ | No |
| 2. Significant deficiency(ies) identified? | _____ | Yes | _x_ | None reported |
| 3. Noncompliance material to financial statements noted? | _____ | Yes | _x_ | No |

Federal Awards:

Internal control over major programs:

- | | | | | |
|--|-------|-----|-----|---------------|
| 4. Material weakness(es) identified? | _____ | Yes | _x_ | No |
| 5. Significant deficiency(ies) identified? | _____ | Yes | _x_ | None reported |

Type of auditors' report issued on compliance for major programs:

Unmodified

- | | | | | |
|--|-------|-----|-----|----|
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) (Uniform Guidance)? | _____ | Yes | _x_ | No |
|--|-------|-----|-----|----|

7. The Organization's major program audited was:

Name of Major Federal Program

Enhanced Mobility of Seniors and Individuals
With Disabilities

Assistance
Listing
Number

20.513

8. Dollar threshold used to distinguish between Type A and Type B programs.

\$750,000

9. Auditee qualified as low-risk auditee?

- | | | | | |
|--|-------|-----|-----|----|
| | _____ | Yes | _x_ | No |
|--|-------|-----|-----|----|

Part II - FINANCIAL STATEMENT FINDINGS

No reportable findings.

Part III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No reportable findings or questioned costs.

TRA GROUP, INC.
Status of Prior Year Audit Findings
June 30, 2025

There were no audit findings with regard to the prior year financial statements (June 30, 2024).