

**OUR HOUSE, INC.**

**AUDITED FINANCIAL STATEMENTS**  
**Together with**  
**INDEPENDENT AUDITOR'S REPORT**

**JUNE 30, 2023 AND 2022**

**OUR HOUSE, INC.**  
**AUDIT REPORT**  
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JUNE 30, 2023 AND 2022

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December 5, 2023

INDEPENDENT AUDITOR'S REPORT

To the Management  
and Board of Directors of  
Our House, Inc.

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of Our House, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Our House, Inc. as of June 30, 2023, and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Our House, Inc. 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 opinions.

***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 Our House, Inc.'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 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*, 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 Our House, Inc.'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 Our House, Inc.'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.

### ***Supplementary 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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Our House, Inc.  
December 5, 2023

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2023, on our consideration of Our House, Inc.'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 Our House, Inc.'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 Our House, Inc.'s internal control over financial reporting and compliance.

*Long & Company, P.C.*

Long & Company, P.C.

Certified Public Accountants

## OUR HOUSE, INC.

## STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2023 AND 2022

ASSETS	2023	2022
Current Assets		
Cash and cash equivalents	\$ 3,710,744	\$ 2,938,834
Investments	1,625,348	358,238
Contributions and grants receivable - net	722,777	601,027
Prepaid expenses	<u>18,526</u>	<u>14,261</u>
Total Current Assets	<u>6,077,395</u>	<u>3,912,360</u>
Property and equipment - net	<u>4,912,952</u>	<u>2,954,828</u>
Noncurrent Assets:		
Cash and cash equivalents restricted capital campaign	1,729,448	3,025,381
Contributions and grants receivable - net	281,389	1,038,219
Investments restricted for endowment purposes	<u>425,000</u>	<u>425,000</u>
Total Other Assets	<u>2,435,837</u>	<u>4,488,600</u>
TOTAL ASSETS	<u>\$ 13,426,184</u>	<u>\$ 11,355,788</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 435,609	\$ 144,934
Accrued payroll	105,628	79,842
Accrued vacation	64,718	43,051
Deferred grant revenue	<u>381,239</u>	<u>122,150</u>
Total Current Liabilities	<u>987,194</u>	<u>389,977</u>
Long-Term Liabilities		
Notes payable - less current portion	<u>150,000</u>	<u>150,000</u>
Total Liabilities	<u>1,137,194</u>	<u>539,977</u>
Net Assets		
Without donor restrictions:	6,815,513	5,165,807
With donor restrictions		
Purpose and time restrictions	5,048,477	5,225,004
Permanent endowment	<u>425,000</u>	<u>425,000</u>
Total net assets with donor restrictions	<u>5,473,477</u>	<u>5,650,004</u>
Total Net Assets	<u>12,288,990</u>	<u>10,815,811</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 13,426,184</u>	<u>\$ 11,355,788</u>

See accompanying notes which are an integral part of these financial statements

OUR HOUSE, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

REVENUE, GAINS, AND OTHER SUPPORT	Without Donor Restrictions	With Donor Restrictions	Total
Contributions and grants	\$ 4,296,920	\$ 362,604	\$ 4,659,524
Inkind contributions	214,840	-	214,840
Daycare services	90,377	-	90,377
Special events (net of costs of direct benefit to donors of \$107,901)	373,033	-	373,033
Investment return	128,799	50,137	178,936
Other income	53,502	-	53,502
Net assets released from restrictions: Satisfaction of program restrictions	589,268	(589,268)	-
 Total Revenues, Gains and Other Support	 5,746,739	 (176,527)	 5,570,212
 <u>EXPENSES</u>			
Program services	4,167,946	-	4,167,946
Supporting services			
Management and general	445,109	-	445,109
Fundraising	554,643	-	554,643
 Total Expenses	 5,167,698	 -	 5,167,698
 Change in Net Assets from Operating Activities	 579,041	 (176,527)	 402,514
Other Changes in Net Assets			
Net Assets Received in Merger	1,070,665	-	1,070,665
 Change in Net Assets	 1,649,706	 (176,527)	 1,473,179
 NET ASSETS AT BEGINNING OF YEAR	 5,165,807	 5,650,004	 10,815,811
 NET ASSETS AT END OF YEAR	 \$ 6,815,513	 \$ 5,473,477	 \$ 12,288,990

See accompanying notes which are an integral part of these financial statements

OUR HOUSE, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

REVENUE, GAINS, AND OTHER SUPPORT	Without Donor Restrictions	With Donor Restrictions	Total
Contributions and grants	\$ 3,315,598	\$ 3,979,122	\$ 7,294,720
Inkind contributions	235,977	-	235,977
Daycare services	47,636	-	47,636
Special events (net of costs of direct benefit to donors of \$105,389)	366,702	-	366,702
Investment return	(26,226)	(85,957)	(112,183)
Other income	7,683	-	7,683
Net assets released from restrictions: Satisfaction of program restrictions	<u>427,751</u>	<u>(427,751)</u>	<u>-</u>
 Total Revenues, Gains and Other Support	 <u>4,375,121</u>	 <u>3,465,414</u>	 <u>7,840,535</u>
 <u>EXPENSES</u>			
Program services	3,019,613	-	3,019,613
Supporting services			
Management and general	290,388	-	290,388
Fundraising	<u>478,033</u>	<u>-</u>	<u>478,033</u>
 Total Expenses	 <u>3,788,034</u>	 <u>-</u>	 <u>3,788,034</u>
 Change in Net Assets	 587,087	 3,465,414	 4,052,501
 NET ASSETS AT BEGINNING OF YEAR	 <u>4,578,720</u>	 <u>2,184,590</u>	 <u>6,763,310</u>
 NET ASSETS AT END OF YEAR	 <u>\$ 5,165,807</u>	 <u>\$ 5,650,004</u>	 <u>\$ 10,815,811</u>

See accompanying notes which are an integral part of these financial statements



OUR HOUSE, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	Supporting Services							
	Program Services		Management and General		Fundraising		Total Expenses	
	2023	2022	2023	2022	2023	2022	2023	2022
Salaries	\$ 2,370,027	\$ 1,445,681	\$ 224,219	\$ 141,383	\$ 363,779	\$ 350,897	\$ 2,958,025	\$ 1,937,961
Fringe Benefits	350,339	279,482	19,342	18,363	39,939	27,271	409,620	325,116
<b>Total</b>	<b>2,720,366</b>	<b>1,725,163</b>	<b>243,561</b>	<b>159,746</b>	<b>403,718</b>	<b>378,168</b>	<b>3,367,645</b>	<b>2,263,077</b>
Bad Debts	-	-	800	2,244	-	-	800	2,244
Bank and Credit Card Fees	5	1,999	2,541	2,701	15,911	14,420	18,457	19,120
Consulting	135,189	50,132	53,754	23,981	59,853	61,830	248,796	135,943
Contract Labor	22,104	69,649	111	-	306	1,480	22,521	71,129
Depreciation	98,458	107,427	4,633	5,968	12,741	5,968	115,832	119,363
Family Assistance	214,030	163,802	-	-	-	-	214,030	163,802
Food Costs	188,035	174,301	-	-	-	-	188,035	174,301
Insurance	52,699	35,457	6,056	5,718	5,409	1,970	64,164	43,145
Interest	-	-	4,487	4,203	-	-	4,487	4,203
Meetings	8,044	11,546	1,908	2,078	3,072	719	13,024	14,343
Occupancy	296,591	312,295	12,563	8,842	28,012	4,652	337,166	325,789
Other	9,659	7,492	1,573	1,565	770	351	12,002	9,408
Postage	1,881	2,999	97	454	1,078	1,030	3,056	4,483
Printing	9,442	12,520	230	-	1,496	-	11,168	12,520
Professional Fees	-	-	102,326	65,502	-	-	102,326	65,502
Repairs and Maintenance	70,842	87,149	4,386	2,403	4,954	1,284	80,182	90,836
Staff Training	61,122	13,863	1,247	5	4,138	2,582	66,507	16,450
Supplies	230,694	208,484	3,212	4,130	9,187	1,506	243,093	214,120
Telephone	35,518	20,307	1,188	719	2,773	534	39,479	21,560
Transportation	2,130	7,560	51	-	141	-	2,322	7,560
Travel	11,137	7,468	385	129	1,084	1,539	12,606	9,136
<b>TOTAL EXPENSES</b>	<b>\$ 4,167,946</b>	<b>\$ 3,019,613</b>	<b>\$ 445,109</b>	<b>\$ 290,388</b>	<b>\$ 554,643</b>	<b>\$ 478,033</b>	<b>\$ 5,167,698</b>	<b>\$ 3,788,034</b>

See accompanying notes which are an integral part of these financial statements

## OUR HOUSE, INC.

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Change in Net Assets	\$ 1,473,179	\$ 4,052,501
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	115,832	119,363
Net assets received in merger	(1,070,665)	-
Contributions and grants restricted for long-term purposes	(144,082)	(3,590,686)
Discount on contributions and grants receivable due in more than one year	(23,999)	22,014
Allowance for uncollectible contributions and grants receivable	(1,850)	4,421
Donations of securities	(48,854)	(808,427)
Realized (gain) loss on investments	(183)	(6,920)
Unrealized (gain) loss investments	(81,537)	150,263
(Increase) decrease in operating assets:		
Contributions and grants receivable	(121,750)	378,596
Prepaid expenses	(4,265)	18,104
Increase (decrease) in operating liabilities		
Accounts payable	290,675	82,759
Accrued payroll	25,786	17,285
Accrued vacation	21,667	(25,011)
Deferred revenue	259,089	64,151
Net Cash Provided (Used) by Operating Activities	<u>689,043</u>	<u>478,413</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	(2,073,956)	(84,630)
Cash received from merger	1,070,665	-
Cash restricted for long-term purposes	1,295,933	(2,802,873)
Proceeds from sales of investments	920,138	924,660
Purchases of investments	<u>(2,056,674)</u>	<u>(137,173)</u>
Net Cash Provided (Used) by Investing Activities	<u>(843,894)</u>	<u>(2,100,016)</u>
Cash Flows from Financing Activities		
Proceeds from Contributions and grants restricted for long-term purposes	926,761	2,802,873
Net Cash Provided (Used) by Financing Activities	<u>926,761</u>	<u>2,802,873</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	771,910	1,181,270
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>2,938,834</u>	<u>1,757,564</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 3,710,744</u>	<u>\$ 2,938,834</u>
Supplemental Disclosures:		
Noncash investing and Financing Activities:		
Receipt of contributed marketable securities	<u>\$ 48,854</u>	<u>\$ 808,427</u>
Interest Paid	<u>\$ 4,487</u>	<u>\$ 4,203</u>

See accompanying notes which are an integral part of these financial statements

## OUR HOUSE, INC.

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

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#### **Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### Nature of Activities

Our House, Inc. (the "Organization") is a private, nonprofit organization incorporated in the State of Georgia. Operating year-round from two site locations in the Atlanta area, the Organization operates a shelter for families experiencing homelessness and a school for children experiencing homelessness. Its purpose is to provide a safe environment for homeless children and to assist homeless parents in obtaining employment and affordable housing. The Organization is financed primarily by federal and state grants and private donations.

##### Financial Statement Presentation

The Organization prepares its financial statements using the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Net assets and revenues are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor-imposed restrictions. The Board, at its discretion, may designate a portion of the net assets without donor restrictions to be used for specific purposes.
- *Net Assets with Donor Restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by the actions of the Organization or the passage of time. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. If a restriction is fulfilled during the same year in which the contribution is received, the Organization reports that support as an increase in net assets without donor restrictions.

##### Use of Estimates in Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

##### Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Cash restricted for long-term purposes represents cash received that restricted by donors for the Organization's capital campaign and renovation of facilities.

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Revenue Recognition

Contributions and Grants and Promises to Give

The Organization recognizes contributions and grants when cash, securities or other assets or an unconditional promise to give is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

The Organization receives federal, state, and local government grants. Government grants are generally accounted for as conditional contributions until grant funds are spent in accordance with applicable grant requirements.

The Organization records special events revenue equal to the fair value of direct benefit to donors and contributions income for the excess received when the event takes place.

Conditional contributions and grants that are received prior to conditions being met are reported in the statement of financial position as deferred revenue.

Daycare Services

Daycare fees are received primarily from the State of Georgia as childcare subsidies for families. Daycare fees are generally recognized as revenue when the service for which payment has been received occurs.

Donated Materials, Services, and Marketable Securities

Contributions of services are recognized at fair value when received if the services create or enhance nonfinancial assets or if the services require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of donated noncash materials, services, and assets are recorded at their fair values in the period received when there is an objective and reasonable basis upon which to value the donations. The Organization records such gifts as net assets without restrictions unless explicit donor stipulations specify how the donated assets must be used.

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. The Statement of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include personnel costs, depreciation, professional fees, office expenses, occupancy, supplies, insurance, and other expenses, which are allocated on the basis of estimates of time and effort.

Property and Equipment

Property and equipment are stated at cost. Acquisitions of property and equipment or repairs, maintenance, or betterments that materially prolong the useful lives of assets in excess of \$5,000 are capitalized. Depreciation of property is computed on a straight-line basis over the estimated service lives of the assets. The following lives have been assigned to the capitalized assets:

Vehicles	5 years
Building and Improvements	20-40 years
Land Improvements	15 years
Playground Equipment	15-20 years
Furniture and Equipment	5-20 years

Donations of property and equipment are recorded as contributions at their estimated fair market value. Such donations are reported as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions regarding their use and contributions of cash that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations regarding how long the long-lived assets must be maintained, the Organization reports expiration of donor restrictions when the donated or acquired long-lived assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Tax-Exempt Status

The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in IRC Section 501(c)(3), except to the extent it has unrelated business income. In addition, the Organization has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC. The Organization did not have an unrelated business income tax liability as of June 30, 2023 and 2022. Accordingly, no tax provision or liability has been reported in the accompanying financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of June 30, 2023 and 2022, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Fair Value Measurements

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal, or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used in the methodology to measure fair value:

- **Level 1** – quoted prices (unadjusted) in active markets that are accessible at the measurement date for the assets or liabilities.
- **Level 2** – observable prices that are based on inputs not quoted in active markets, but corroborated by market data; and
- **Level 3** – unobservable inputs are used when little or no market data is available

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The Organization has Investments in common stock, mutual funds, and exchange traded funds that are measured as a level 1 instruments.

Newly Adopted Accounting Pronouncement

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which replaces the existing guidance in ASC 840 - Leases. The Organization adopted the new ASU effective July 1, 2022. This ASU requires a dual approach for lessee accounting under which a lessee would account for leases as finance leases or operating leases. Both finance leases and operating leases will result in the lessee recognizing a right-of-use asset and a corresponding lease liability. For finance leases, the lessee would recognize interest expense and amortization of the right-of-use asset and for operating leases, the lessee would recognize a straight-line total lease expense. This ASU was effective for fiscal years beginning after December 15, 2021. The requirements of this standard include a significant increase in required disclosures. The Organization has evaluated its lease contracts and has determined that it has no leases that are required to be accounted for under the new ASU.

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Reclassifications

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

Subsequent Events Date of Review

Management has evaluated subsequent events through December 5, 2023, which was the date the financial statements were available to be issued.

**Note 2 - INVESTMENTS**

Investments consisted of the following as of June 30, 2023, and 2022:

	<u>2023</u>	<u>2022</u>
Corporate Stocks, Mutual Funds ETFs, and CDs	<u>\$ 2,050,348</u>	<u>\$ 783,238</u>
Classified on the statement of financial position:		
Current	\$ 1,625,348	\$ 358,238
Non-Current	<u>425,000</u>	<u>425,000</u>
Total	<u>\$ 2,050,348</u>	<u>\$ 783,238</u>
Investment return is summarized as follows:		
Interest and dividends	\$ 97,216	\$ 31,160
Realized gains (losses) on investments	183	6,920
Net unrealized gains (losses) on investments	<u>81,537</u>	<u>(150,263)</u>
Total	<u>\$ 178,936</u>	<u>\$ (112,183)</u>

As disclosed in Note 7, one of the Organization's investment accounts is pledged to secure a line-of-credit. The balance of that account as of June 30, 2023, was \$564,208.

**OUR HOUSE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

JUNE 30, 2023 AND 2022

**Note 3 – CONTRIBUTIONS AND GRANTS RECEIVABLE**

Contributions and grants receivable outstanding as of June 30, 2023, and 2022 are summarized as follows:

	2023	2022
Receivable in less than one year	\$ 993,961	\$ 1,420,005
Receivable in one to five years	35,000	270,967
Total	1,028,961	1,690,972
Less discount to present value	(795)	(24,705)
Less allowance for uncollectible promises to give	(24,000)	(27,021)
	\$ 1,004,166	\$ 1,639,246
Classified on statements of financial position as:		
Current - net	\$ 722,777	\$ 601,027
Long-term - net	281,389	1,038,219
	\$ 1,004,166	\$ 1,639,246

Contributions and grants receivable due in more than one year are discounted to present value using a discount rate of 3.0% as of June 30, 2023 and 4.75% as of June 30, 2022. The long-term receivables represent amounts that are either due in more than one year or are restricted by donors for the Organization's capital campaign.

**Note 4 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of June 30, 2023, and 2022:

	2023	2022
Building	\$ 780,000	\$ 780,000
Land	203,333	203,333
Building improvements	1,273,361	1,273,361
Leasehold improvements	1,444,638	1,444,638
Vehicles	107,432	107,432
Playground equipment	115,089	115,089
Equipment and furniture	94,235	83,815
	4,018,088	4,007,668
Accumulated depreciation	1,269,647	1,153,815
	2,748,441	2,853,853
Construction in progress	2,164,511	100,975
	\$ 4,912,952	\$ 2,954,828
Depreciation Expense	\$ 115,832	\$ 119,363



OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

**Note 4 - PROPERTY AND EQUIPMENT (Continued)**

Decatur Facility

The Organization leases a building and land in Decatur, Georgia from a church. Building renovations and improvements for this facility are reported in the financial statements as leasehold improvements. The lease calls for no rent payments and expires in 2040.

Atlanta Facility

The Organization owns a one-third interest in a building and land and leases the remaining two-thirds interest in the building from The Community Foundation for Greater Atlanta, Inc. The lease agreement was entered into in 2002 and provides for a lease term of 99 years with a lease payment of \$1 per year.

The estimated fair rental value of the donated space for both facilities has been recorded as contribution revenue and occupancy expense for the years ended June 30, 2023, and 2022.

**Note 5 - NOTES PAYABLE**

The following is a summary of the Organization's notes payable as of June 30, 2023, and 2022:

	<u>2023</u>	<u>2022</u>
Note payable to the U.S. Small Business Administration. Economic Injury Disaster Loan (EIDL) of \$150,000, payable in monthly installments of \$641 beginning November 2022, with interest at 2.75%. Each payment will be applied first to interest accrued, and the balance, if any, will be applied to principal. The note is secured by all assets of the Organization.	150,000	150,000
	<u>150,000</u>	<u>150,000</u>
Less current portion	-	-
Long-term portion of notes payable	<u>\$ 150,000</u>	<u>\$ 150,000</u>

Future maturities of notes payable are as follows:

<u>Years ended June 30</u>	
2024	-
2025	-
2026	3,144
2027	3,700
2028	3,803
2029 and thereafter	139,353
	<u>\$ 150,000</u>

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

**Note 6 – DEFERRED GRANT REVENUE**

Deferred revenue reported in the statements of financial position represents government grant funds received in advance for which conditions have not yet been fulfilled. The balance as of \$381,239 as of June 30, 2023, and \$122,150 as of June 30, 2022, included grants received in advance for the State of Georgia Pre-K program that were conditioned upon the Organization enrolling children for the next school year, and grants from Georgia DECAL and DeKalb County, Georgia conditioned upon incurring qualified expenses.

**Note 7 – LINE OF CREDIT**

The Organization has a \$400,000 revolving line of credit with a local bank. Advances on the credit line are payable on demand and carry an interest rate of prime plus 1% (9.5% as of June 30, 2023). The line-of-credit is dated November 18, 2021 with an expiration date of November 18, 2023. The line-of-credit is secured by one of the Organization's investment accounts. There was no outstanding balance on the line-of-credit as of June 30, 2023, and 2022.

**Note 8 - NET ASSETS**

Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes or periods as of June 30, 2023, and 2022:

	<u>2023</u>	<u>2022</u>
Capital campaign	\$ 4,112,301	\$ 3,985,005
CDA Certification	30,000	38,757
Family advocacy	32,553	39,389
Mental health services	9,150	25,000
Scholarship funds	326,497	662,730
Healthcare and Clinic	244,268	-
Time restricted	154,500	354,500
Unappropriated endowment funds	<u>139,208</u>	<u>119,623</u>
Total purpose and time restrictions	5,048,477	5,225,004
Permanent endowment	<u>425,000</u>	<u>425,000</u>
Total net assets with donor restrictions	<u>\$ 5,473,477</u>	<u>\$ 5,650,004</u>

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

**Note 9 – INKIND CONTRIBUTIONS**

The Organization received donated supplies and meals and donated use of facilities. Those inkind donations are included as contribution revenue in the financial statements and the corresponding program expenses for the years ended June 30, 2023, and 2022, are as follows:

	<u>2023</u>	<u>2022</u>
Contributions without donor restrictions		
Included in program expenses		
Contributed use of facilities	\$ 126,485	\$ 137,943
Contributed supplies and meals	70,000	91,137
Included in management and general expenses		
Contributed use of facilities	5,197	4,230
Included in fundraising expenses		
Contributed use of facilities	<u>13,158</u>	<u>2,667</u>
Total Noncash Contributions	<u>\$ 214,840</u>	<u>\$ 235,977</u>

**Note 10 – ENDOWMENTS**

The Organization maintains two donor-restricted endowment funds. As required by Generally Accepted Accounting Principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of Our House, Inc. has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Our House, Inc. classifies as net assets with donor restrictions (to be held in perpetuity) (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not held in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the organization

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

**Note 10 – ENDOWMENT FUNDS (continued)**

Investment Return Objectives, Risk Parameters and Strategies

The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return.

The targeted annualized return objective is 3% plus inflation, net of all expenses. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy

The Organization's endowment policies allow the Board of Directors to appropriate for distribution up to 5% of its endowment fund's average fair value of the prior 12 quarters through the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Organization's objective is to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

Endowment net asset composition by type of fund and changes in endowment net assets as of June 30, 2023, and 2022 are as follows:

	2023			Total
	Without Donor Restrictions	With Donor Restrictions Temporary in Nature	Perpetual in Nature	
Donor-restricted endowment funds	\$ -	\$ 139,208	\$ 425,000	\$ 564,208
	<u>\$ -</u>	<u>\$ 139,208</u>	<u>\$ 425,000</u>	<u>\$ 564,208</u>

  

	2022			Total
	Without Donor Restrictions	With Donor Restrictions Temporary in Nature	Perpetual in Nature	
Donor-restricted endowment funds	\$ -	\$ 119,623	\$ 425,000	\$ 544,623
	<u>\$ -</u>	<u>\$ 119,623</u>	<u>\$ 425,000</u>	<u>\$ 544,623</u>

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

**Note 10 – ENDOWMENT FUNDS (continued)**

	2023			
	Without Donor Restrictions	With Donor Restrictions		Total
		Temporary in Nature	Perpetual in Nature	
Endowment net assets, beginning	\$ -	\$ 119,623	\$ 425,000	\$ 544,623
Contributions	-	-	-	-
Investment return:				
Interest and dividends	-	19,055	-	19,055
Unrealized gains (losses)	-	31,083	-	31,083
Amount appropriated for expenditure	-	(30,553)	-	(30,553)
	<u>\$ -</u>	<u>\$ 139,208</u>	<u>\$ 425,000</u>	<u>\$ 564,208</u>
	2022			
	Without Donor Restrictions	With Donor Restrictions		Total
		Temporary in Nature	Perpetual in Nature	
Endowment net assets, beginning	\$ -	\$ 235,037	\$ 425,000	\$ 660,037
Contributions	-	-	-	-
Investment return:				
Interest and dividends	-	19,681	-	19,681
Unrealized gains (losses)	-	(105,638)	-	(105,638)
Amount appropriated for expenditure	-	(29,457)	-	(29,457)
	<u>\$ -</u>	<u>\$ 119,623</u>	<u>\$ 425,000</u>	<u>\$ 544,623</u>

OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

**Note 11 - BENEFICIAL INTERESTS**

The Organization has a beneficial interest in two permanent endowments. The original endowments were for \$100,000 and \$500,000 and were paid by the donors directly to the Community Foundation for Greater Atlanta (the "Foundation") to be held in perpetuity in the name of Our House, Inc. and administered by the Foundation. The \$100,000 endowment is to support general operations and the \$500,000 endowment is to fund maintenance and repairs at the Atlanta facility.

Since the Foundation retains variance power, the endowment beneficial interests are not recorded on the books of Our House, Inc. The Organization will receive distributions from the endowment funds based on a spending policy determined by the Foundation's Board of Directors. Distributions from the fund are reported as contributions with donor restrictions. The restrictions are released when the funds are appropriated for expenditure.

The following is a summary of the activity of the funds for the years ended June 30, 2023, and 2022:

	<u>2023</u>	<u>2022</u>
Balance at beginning of the year	\$ 715,654	\$ 819,184
Contribution	-	-
Investment Return	48,116	(69,682)
Distributions	(35,079)	(33,848)
Balance at end of the year	<u>\$ 728,691</u>	<u>\$ 715,654</u>

**Note 12 - CONCENTRATION OF CREDIT RISK -DEPOSITS IN EXCESS OF INSURED LIMITS**

The Organization maintains its cash deposits with various financial institutions. At times, the balances in these accounts may be in excess of federally insured limits established by the Federal Deposit Insurance Corporation (FDIC). Cash and cash equivalents also include accounts at an investment brokerage company. Cash and cash equivalents at the brokerage company include money market mutual funds, which are not insured by the FDIC, or otherwise guaranteed by the U.S. Government. The Organization's cash and cash equivalents in excess of FDIC coverage were approximately \$681,388 and \$3,710,714 as of June 30, 2023 and 2022, respectively.

**Note 13 - RETIREMENT PLAN**

Our House, Inc. adopted a Savings Incentive Match Plan (SIMPLE) under Section 408(p) of the Internal Revenue Code. The plan covers all employees with at least \$5,000 in total compensation for a calendar year. The plan began on July 1, 1999. The Organization matches employee contributions up to 3% of gross salaries. Employees may make contributions to the plan up to a maximum allowed by the Internal Revenue Code if they wish. Employer contributions to the plan for the years ended June 30, 2023 and 2022 were \$20,597 and \$14,825, respectively.

**OUR HOUSE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

JUNE 30, 2023 AND 2022

**Note 14 – FAIR VALUE MEASUREMENTS**

Fair values of assets and liabilities measured on a recurring basis as of June 30, 2023, and 2022, are as follows:

	2023			
	Fair Value	Level 1	Level 2	Level 3
Corporate stocks, mutual funds, and ETFs	\$ 2,050,348	\$ 2,050,348	\$ -	\$ -
	2022			
	Fair Value	Level 1	Level 2	Level 3
Corporate stocks, mutual funds, and ETFs	\$ 783,238	\$ 783,238	\$ -	\$ -

Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

**Note 15 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Organization’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	2023	2022
Total financial assets as end of the year:		
Cash and cash equivalents	\$ 5,440,192	\$ 5,964,215
Investments	2,050,348	783,238
Contributions and grants receivable	1,004,166	1,639,246
Total financial assets	8,494,706	8,386,699
Less amounts unavailable for expenditure within on year:		
Contributions and grants receivable due in more than one year	(281,389)	(1,038,219)
Cash and cash equivalents restricted for long-term purposes	(1,729,448)	(3,025,381)
Endowments funds restricted by donors - perpetual in nature	(425,000)	(425,000)
Total financial assets available for general expenditure within one year	\$ 6,058,869	\$ 3,898,099

As part of its plan to manage liquid assets, the Organization’s goal is to maintain cash to fund 90 days of operations. The Organization invests excess cash conservatively in money market funds to attain the highest yield possible, while still preserving capital.

**OUR HOUSE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

JUNE 30, 2023 AND 2022

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**Note 15 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (continued)**

The Organization has certain donor-restricted net assets that are available for general expenditures within one year of June 30, 2023, and 2022, because the restrictions on the net assets are expected to be met by conducting the normal activities of the programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year.

The Organization also has a \$400,000 line of credit available to meet short-term needs. See Note 7 for details about the line-of-credit.

**Note 16 - COMMITMENTS AND CONTINGENCIES**

Construction Commitments

The Organization entered into contracts for construction project management, and for design services related to renovation of its facilities and capital acquisition and improvements. The costs are funded by the capital campaign. Costs incurred to date are reported on the statements of financial position as property and equipment as construction in progress.

The Organization has entered into a contract with a construction company for renovation of the Atlanta and the Decatur facilities. The total contract obligation as of June 30, 2023 was \$2,427,462. Costs incurred through June 30, 2023 were \$1,315,256. Management anticipates the remaining cost of \$1,112,206 will be incurred and the contract will be completed in the next fiscal year.

The program management contract is an hourly agreement. Costs incurred through June 30, 2023, for program management totaled \$91,107. The Organization will continue to accrue costs under this contract during the year ending June 30, 2024.

Grant Commitments

Government grant awards require the fulfillment of certain conditions as set forth in the contracts. Failure to fulfill the conditions could result in the return of funds to grantors. Although the return of funds is a possibility, the Board of Directors & Management deem the contingency unlikely since, upon accepting the grants, the Organization has agreed to comply with the provisions thereof.



OUR HOUSE, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

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**Note 17 – Merger**

The Organization combined operations with Community Advanced Practice Nurses, Inc. (“CAPN”), a nonprofit organization, through a merger with an effective date of July 1, 2022. The Organization formed OH CAPN, LLC to acquire substantially all of the assets and assume the liabilities of CAPN. The merger was accounted for as an acquisition. CAPN operates a network of health clinics co-located within homeless shelters in the Metropolitan Atlanta area.

The following summarizes the estimated amounts of assets acquired and the liabilities assumed at the July 1, 2022, acquisition date:

Recognized amounts of identifiable assets  
acquired and liabilities assumed:

Cash	\$ 614,325
Contributions and grants receivable	512,480
Accounts payable and accrued expenses assumed	<u>(56,140)</u>
Contribution received	<u>\$ 1,070,665</u>
 Net Asset Classification	
Without donor restrictions	<u>\$ 1,070,665</u>

No consideration was transferred by Our House, Inc. as part of the acquisition.

The Organization transferred the assets and liabilities acquired by OH CAPN, LLC to Our House, Inc. immediately after the merger and plans to dissolve OH CAPN, LLC during the next fiscal year.

**OUR HOUSE, INC.**

**COMPLIANCE AND INTERNAL  
CONTROL REPORTS**

**JUNE 30, 2023**



December 5, 2023

INDEPENDENT AUDITOR'S 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 Management  
and Board of Directors of  
Our House, 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 Our House, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 5, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Our House, Inc.'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 Our House, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Our House, Inc.'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.

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 may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Our House, Inc.'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*.

Our House, Inc.  
December 5, 2023

**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.

*Long & Company, P.C.*  
Long & Company, P.C.  
Certified Public Accountants



December 5, 2023

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

To the Management  
and Board of Directors of  
Our House, Inc.

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Our House, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Our House, Inc.'s major federal programs for the year ended June 30, 2023. Our House, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Our House, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal 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).<sup>1</sup> Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Our House, Inc. 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 Our House, Inc.'s compliance with the compliance requirements referred to above.

***Responsibilities of 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 Our House, Inc.'s federal programs.

### ***Auditor's Responsibilities 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 Our House, Inc.'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 Our House, Inc.'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 judgment 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 Our House, Inc.'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 Our House, Inc.'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 Our House, Inc.'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 a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of 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 type of 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 Auditor's 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 House, Inc.  
December 5, 2023

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.

*Long & Company, P.C.*

Long & Company, P.C.  
Certified Public Accountants

OUR HOUSE, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor / Pass - Through Grantor / Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass- through to Subrecipients
<b>U.S. Department of Agriculture</b>				
Passed through Bright From the Start Georgia Department of Early Care and Learning Child and Adult Care Food Program	10.558	04867	\$ 61,413	\$ -
<b>Total U.S. Department of Agriculture</b>			<u>61,413</u>	<u>-</u>
<b>U.S. Department of Housing and Urban Development</b>				
Passed Through DeKalb County, Georgia Community Development Block Grant	14.218		118,750	-
Community Development Block Grant - COVID-19	14.218	1283836	37,361	-
Community Development Block Grant - COVID-19	14.218		8,022	-
Community Development Block Grant - COVID-19	14.218		10,630	-
<b>Total Community Development Block Grant</b>			<u>174,763</u>	<u>-</u>
Passed Through DeKalb County, Georgia Emergency Solutions Grant Program - COVID-19	14.231		39,735	-
Emergency Solutions Grant Program - COVID-19	14.231		49,910	-
Passed Through City of Atlanta, Georgia Emergency Solutions Grant Program	14.231	220132587	84,495	-
<b>Total Emergency Solutions Grant Program</b>			<u>174,140</u>	<u>-</u>
Passed Through Partners for Home, Inc. Continuum of Care Programm	14.267	GA0418D4B002100	26,849	-
Continuum of Care Programm	14.267	GA0416D4B002201	29,468	-
<b>Total Continuum of Care Program</b>			<u>56,317</u>	<u>-</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>405,220</u>	<u>-</u>
<b>U.S. Department of the Treasury</b>				
Coronavirus State and Local Fiscal Recovery Funds	21.027		75,000	-
<b>Total U.S. Department of the Treasury</b>			<u>75,000</u>	<u>-</u>
<b>U.S. Department of Health and Human Services</b>				
Passed through the State of Georgia Department of Behavioral Health and Developmental Disabilities Projects for Assistance in Transition from Homelessness	93.150	44100-026-0000153903	241,508	-
Passed through Bright From the Start Georgia Department of Early Care and Learning Childcare and Development Block Grant - COVID-19	93.575	CCLC-37513	186,228	-
Childcare and Development Block Grant - COVID-19	93.575	CCLC-751	133,168	-
<b>Total Child Development BlockGrant</b>			<u>319,396</u>	<u>-</u>
Passed through Bright From the Start Georgia Department of Early Care and Learning Headstart	93.600	469-G20-OH-EHSCCP-0016	488,093	-
Passed through Easter Seals of North Georgia, Inc. Head start	93.600		359,136	-
<b>Total Head Start</b>			<u>847,229</u>	<u>-</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>1,408,133</u>	<u>-</u>
<b>Federal Emergency Management Agency</b>				
Pass Through United Way Atlanta/Fulton/DeKalb (EFSP) Local Board Emergency Food and Shelter National Board Program	97.024		80,250	-
<b>Total Federal Emergency Management Agency</b>			<u>80,250</u>	<u>-</u>
<b>Total Expenditures of Federal Awards - Non Loan Programs</b>			<u>\$ 2,030,016</u>	<u>\$ -</u>
<b>Loan Programs</b>				
<b>Small Business Administration</b>				
Economic Injury Disaster Loan (EIDL) - COVID-19 Loan #1438897808	59.008		150,000	-
<b>Total Expenditures of Fedfederal Awards</b>			<u>\$ 2,180,016</u>	<u>\$ -</u>

See accompanying notes to the schedule of expenditures of federal awards



**OUR HOUSE, INC.**

**NOTES TO SCHEDULE OF FEDERAL EXPENDITURES OF FEDERAL AWARDS**

FOR THE YEAR ENDED JUNE 30, 2023

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**Note A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Our House, Inc. under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of Our House, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Our House, Inc.

**NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE C—INDIRECT COST RATE**

Our House, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE D—LOANS**

Federal expenditures for the Economic Injury Disaster loan program includes \$150,000 of loans outstanding as of June 30, 2023 for which the grantor imposes continuing compliance requirements.

OUR HOUSE, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ Yes  X  No
- Significant deficiencies identified that are Not considered material weaknesses? \_\_\_\_\_ Yes  X  None reported

Noncompliance material to the financial statements noted? \_\_\_\_\_ Yes  X  No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? \_\_\_\_\_ Yes  X  No
- Significant deficiencies identified that are Not considered material weaknesses? \_\_\_\_\_ Yes  X  None reported

Type of auditor's report issued on compliance for each major federal program: Unmodified

Any audit findings that are required to be reported in accordance with Uniform Guidance? \_\_\_\_\_ Yes  X  No

Identification of Major Programs:

<u>Federal Assistance Listing Number</u>	<u>Name</u>
93.575	Childcare Development Block Grant
93.600	Head Start

The dollar threshold for distinguishing types A and B programs was \$750,000.

Auditee qualified as a low-risk auditee?  X  Yes \_\_\_\_\_ No

SECTION II - FINANCIAL STATEMENT FINDINGS: None reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS: None reported.

SECTION IV - FOLLOW UP ON THE STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

Not applicable as there were no findings and questioned costs in the previous year.

**OUR HOUSE, INC.**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

FOR THE YEAR ENDED JUNE 30, 2023

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There were no audit findings reported in the prior audit.

**OUR HOUSE, INC.**

**SUPPLEMENTAL INFORMATION**

**JUNE 30, 2023**



December 5, 2023

INDEPENDENT AUDITOR'S  
REPORT ON SUPPLEMENTAL INFORMATION

To the Management  
and Board of Directors of  
Our House, Inc.

We have audited the financial statements of Our House, Inc. as of and for the year ended June 30, 2023, and have issued our report thereon dated December 5, 2023, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of state contractual assistance is presented for the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

*Long & Company, P.C.*  
Long & Company, P.C.  
Certified Public Accountants

OUR HOUSE, INC.

SCHEDULE OF STATE CONTRACTUAL ASSISTANCE

FOR THE YEAR ENDED JUNE 30, 2023

Grantor/Program Name	Revenue Recognized 6/30/2023	Amount Due from State	Amount Due to State
U.S. Department of Health and Human Services Passed through Georgia Department of Early Care and Learning Head Start 469-G20-OH-EHSCCP-0016	\$ 488,093	\$ 38,064	\$ -
Childcare and Development Block Grant - COVID-19 Grant #CCLC-37513	186,228	-	-
Grant #CCLC-751	133,168	-	-
	319,396	-	-
Passed through the State of Georgia Department of Behavioral Health and Developmental Disabilities Projects for Assistance in Transition from Homelessness	241,508	92,168	-
Total U.S. Department of Health and Human Services	1,048,997	130,232	-
U.S. Department of Agriculture Passed through Georgia Department of Early Care and Learning Child and Adult Care Food Program	61,413	-	-
State of Georgia Department of Early Care and Learning Georgia Pre-K Summer Transition Program	167,064	-	-
	82,587	-	-
	249,651	-	-
Total State Contractual Assistance	\$ 1,360,061	\$ 130,232	\$ -