

One House at a Time, Inc.

FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021



One House at a Time, Inc.

Table of Contents For Year Ended December 31, 2022

INDEPENDENT ACCOUNTANTS' REVIEW REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL POSITION	2
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	3
STATEMENT OF FUNCTIONAL EXPENSES	4
STATEMENTS OF CASH FLOWS	5
NOTES TO THE FINANCIAL STATEMENTS	6 - 9

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Trustees,
One House at a Time, Inc.
Amber, PA 19002

We have reviewed the accompanying financial statements of One House at a Time, Inc. (a non-profit corporation), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and changes in net assets, statement of functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of One House at a Time, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion

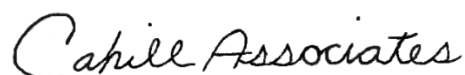
Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on 2021 Financial Statements

The financial statements of One House at a Time, Inc. as of December 31, 2021, prior to restatement, were reviewed by other accountants whose report dated October 7, 2022, stated that based on their procedures, they are not aware of any material modifications that should be made to the financial statements in order for the statements to be in accordance with the accounting principles generally accepted in the United State of America.

Report on Restatement Adjustments to 2021 Financial Statements

As part of our review of the 2022 financial statements, we also reviewed the adjustments described in Note 3 that were applied to restate the 2021 financial statements. Based on our review, we are not aware of any material modifications that should be made to the adjustments that were applied to restate the 2021 financial statements in order for the statements to be in accordance with accounting principles generally accepted in the United States of America.

The logo for Cahill Associates, featuring the company name in a cursive, handwritten-style font.

Cahill Associates
Plymouth Meeting, PA
June 20, 2023

One House at a Time, Inc.

STATEMENTS OF FINANCIAL POSITION

As of December 31, 2022 and 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	\$ 178,396	\$ 206,972
Accounts Receivable	18,801	29,598
Inventory	61,548	56,730
Prepaid Expenses	62,346	7,491
TOTAL CURRENT ASSETS	<u>321,091</u>	<u>300,791</u>
PROPERTY and EQUIPMENT		
Vehicle, Cost	23,793	23,793
Accumulated Depreciation	<u>(23,793)</u>	<u>(23,793)</u>
NET PROPERTY and EQUIPMENT	-	-
TOTAL ASSETS	<u>\$ 321,091</u>	<u>\$ 300,791</u>
LIABILITIES and NET ASSETS		
CURRENT LIABILITIES		
Accrued Salaries and Payroll Taxes	\$ 10,765	\$ 9,527
Accrued Expenses	1,495	22,634
Unearned Revenue	42,056	32,400
TOTAL CURRENT LIABILITIES	<u>\$ 54,316</u>	<u>\$ 64,561</u>
LONG TERM LIABILITIES	-	-
TOTAL LIABILITIES	<u>54,316</u>	<u>64,561</u>
NET ASSETS		
Without Donor Restrictions	\$ 170,305	\$ 225,780
With Donor Restrictions	96,470	10,450
TOTAL NET ASSETS	<u>266,775</u>	<u>236,230</u>
TOTAL LIABILITIES and NET ASSETS	<u>\$ 321,091</u>	<u>\$ 300,791</u>

See Accompanying Notes and Independent Accountants' Report

One House at a Time, Inc.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For Years ended December 31, 2022 and 2021

	Without Donor Restrictions	With Donor Restrictions	Restricted and Unrestricted 2022	Restricted and Unrestricted 2021
REVENUES AND SUPPORT				
Contributions	\$ 116,746	\$ 74,070	\$ 190,816	\$ 135,817
Donated Services	1,860	-	1,860	1,860
Donated Goods	174,289	-	174,289	57,946
Program Service Fees	237,043	-	237,043	238,984
Fundraising Events	1,791	-	1,791	12,772
Grants	29,996	144,006	174,002	135,692
TOTAL REVENUE AND SUPPORT BEFORE RELEASES	561,725	218,076	779,801	583,071
NET ASSETS RELEASED FROM RESTRICTIONS	132,056	(132,056)	-	-
TOTAL PUBLIC SUPPORT AND REVENUE	\$ 693,781	\$ 86,020	\$ 779,801	\$ 583,071
EXPENSES				
Program Services	\$ 688,561	-	\$ 688,561	\$ 485,896
Management and General Expenses	32,505	-	32,505	32,793
Fundraising	28,263	-	28,263	26,616
TOTAL EXPENSES	\$ 749,329	\$ -	\$ 749,329	\$ 545,305
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	\$ (55,548)	\$ 86,020	\$ 30,472	\$ 37,766
NONOPERATING ACTIVITIES				
Interest Income	\$ 73	\$ -	\$ 73	\$ 32
CHANGE IN NET ASSETS FROM NONOPERATING ACTIVITIES	\$ 73	\$ -	\$ 73	\$ 32
CHANGE IN NET ASSETS	\$ (55,475)	\$ 86,020	\$ 30,545	\$ 37,798
NET ASSETS AT THE BEGINNING OF THE YEAR	\$ 225,780	\$ 10,450	\$ 236,230	\$ 198,432
NET ASSETS AT THE END OF THE YEAR	\$ 170,305	\$ 96,470	\$ 266,775	\$ 236,230

See Accompanying Notes and Independent Accountants' Report

One House at a Time, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For The Year Ended December 31, 2022

	Program Activities	General and Administrative	Fundraising	Total Expenses 2022
PAYROLL EXPENSES				
Salaries	\$ 157,368	\$ 20,652	\$ 20,652	\$ 198,672
Payroll Taxes	14,970	1,919	1,919	18,808
TOTAL PAYROLL EXPENSES	172,338	22,571	22,571	217,480
OTHER EXPENSES				
Assistance – Bed and Furnishings	444,744	-	-	444,744
Occupancy	46,023	-	-	46,023
Truck Insurance and Registration	5,183	-	-	5,183
Professional Fees	-	6,536	-	6,536
Office Supplies	3,079	1,540	1,540	6,159
Truck Expenses	11,832	-	-	11,832
Liability Insurance	5,362	-	-	5,362
Fundraising Expense	-	-	4,152	4,152
Miscellaneous Expense	-	989	-	989
Director's and Officers Insurance	-	869	-	869
TOTAL OTHER EXPENSES	516,223	9,934	5,692	531,849
TOTAL EXPENSES	\$ 688,561	\$ 32,505	\$ 28,263	\$ 749,329

See Accompanying Notes and Independent Accountants' Report

One House at a Time, Inc.

STATEMENTS OF CASH FLOWS

For Years Ended December 31, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 30,545	\$ 37,798
Adjustment to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
(Increase) Decrease in Assets:		
Accounts Receivable	10,797	(22,087)
Inventory	(4,818)	(13,558)
Prepaid Expenses	(54,855)	(75)
Increase (Decrease) in Liabilities:		
Accrued Salaries and Payroll Taxes	1,238	9,527
Accrued Expenses	(21,139)	22,304
Unearned Revenue	9,656	31,200
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(28,576)	65,109
CASH FLOWS FROM FINANCING ACTIVITIES		
Principle Payments on Debt	-	(34,100)
NET CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES	-	(34,100)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(28,576)	31,009
BEGINNING CASH AND CASH EQUIVALENTS	206,972	175,963
CASH, END OF YEAR	\$ 178,396	\$ 206,972
SUPPLEMENTAL DISCLOSURES		
Interest Paid	\$ -	\$ -
Income Tax Paid	-	-

See Accompanying Notes and Independent Accountants' Report

One House at a Time, Inc.

NOTES TO THE FINANCIAL STATEMENTS

For Years Ended December 31, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies

Nature of Organization

One House at Time's ('the Organization') mission is to help families establish (or reestablish) self-sufficient lives by providing them with the necessities of a functional home environment. Their current focus is ending child bedlessness. Through a program called Beds for Kids, they provide children and youth with beds, bedding, and tools that encourage healthy bedtime habits, so they can get the quality and sufficient sleep they need to thrive.

Basis of Presentation

The Organization's financial statements are prepared using the accrual method of accounting. These financial statements conform to accounting principles generally accepted in the United States of America for not-for-profit organizations.

The Organization is required to report information regarding its financial position and activities according to two classes of net assets:

- With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time.
- Without donor restrictions – Net assets that are not subject to donor-imposed restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets are limited by donor restrictions in which case the revenues will be 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 and reported in the statement of activities as net assets released from restrictions. Expenses are reported as decreases in net assets without donor restrictions.

The Organization recognizes contributions, aid, grants and program service revenue when actually received or when the organization is notified it is due a contribution.

In-Kind Contributions and Donated Services

Contributions of donated non-cash assets are recorded at their fair values in the period received. Such donations are reported as support without restriction unless the donor has restricted the donated asset to a specific purpose. For the year ended December 31, 2022 the value of donated goods totaled \$174,289 and is recorded in these financial statements as Donated Goods.

Contributed services are not recognized as revenues unless the services create or enhance the value of a non-financial asset or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by volunteers. In-kind contributions of professional services for the year ended December 31, 2022 totaled \$1,860 and are recorded in these financials statement as Donated Services.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization. The volunteer hours the Organization received did not meet the criteria for recognition under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605-25-16.

Cash and Cash Equivalents

The Organization considers all short-term, high liquid investments with an original maturity date of three months or less to be cash equivalents.

See Independent Accountants' Report

One House at a Time, Inc.

NOTES TO THE FINANCIAL STATEMENTS

For Years Ended December 31, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are recorded at cost if purchased or fair value if donated. Maintenance and repairs are charged to expense as incurred. Upon retirement or other disposition of property and equipment, the cost and related depreciation is removed from the accounts and the resulting gain or loss is included in the Statement of Activities.

The Organization's capitalization policy utilizes a \$1,000 threshold for capitalizing property. Amounts lower than \$1,000 are expensed as incurred.

Depreciation is provided using the straight-line method based upon a useful life of 5 years for vehicles. Depreciation expense for the years ended December 31, 2022 and 2021 was \$-0-.

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue service as other than a private foundation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

The Organization maintains a cash balance at several financial institutions in Pennsylvania. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2022 and 2021 the Organization's uninsured balance totaled \$ -0-.

Leases

The Organization has evaluated the impact of Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2016-02, (Topic 842): Leases. The Organization determined that it does not have any lease agreements that require reporting under this standard.

Inventory

The Organization's inventory is stated at cost and consists principally of mattresses, bed frames, sheets, comforters, and related items used in the Organization's mission of helping families establish (or reestablish) self-sufficient lives by providing them with the necessities of a functional home environment.

Functional Expenses

The Organization's only program is helping families establish (or reestablish) self-sufficient lives by providing them with the necessities of a functional home environment. Expenses are charged based on direct expenditures incurred.

The financial statements report certain categories of expenses that are attributable to its program and supporting functions. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, which are allocated based on estimates of time and effort, as well as office supplies.

See Independent Accountants' Report

One House at a Time, Inc.

NOTES TO THE FINANCIAL STATEMENTS

For Years Ended December 31, 2022 and 2021

Note 2 – Restrictions of Net Assets

	Donor Restricted 2022	Donor Restricted 2021
SUPPORT		
Donations – Individuals	\$ 74,070	\$ 8,146
Grants	144,006	95,842
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	218,076	103,988
NET ASSETS RELEASED FROM DONOR RESTRICTIONS	(132,056)	(128,114)
NET CHANGE IN DONOR RESTRICTED NET ASSETS	86,020	(24,126)
DONOR RESTRICTED NET ASSETS AT BEGINNING OF YEAR	10,450	34,576
DONOR RESTRICTED NET ASSETS AT END OF YEAR	\$ 96,470	\$ 10,450

Note 3 – Restatement Adjustment

The Organization did not fully account for revenue and expenses related to donated goods in its 2021 original financial statements. The total donated goods revenue and expenses for the year ended December 31, 2021 was \$57,946. These donated goods have been properly reflected in these statements as Donated Goods (revenue) and Program Expenses, with each respective account being increased by \$57,946. For the year ended December 31, 2021, the Organization's inventory properly reflected donated goods. The effect of this restatement was no change to Net Assets for the year ended December 31, 2021.

Note 4 – Subsequent Events

The Organization's lease for Unit 5 at 421-431 Pike Road in Southampton, PA set to expire on April 30, 2023 was automatically renewed under a rollover provision of the original lease with an increase in rent of 4%. This provision extended the Organization's lease until April 30, 2024.

The Organization has evaluated subsequent events through June 20, 2023 the date which the financial statements were available to be issued.