

ALMOST HOME

FINANCIAL STATEMENTS

December 31, 2023 and 2022



ZIELINSKI & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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ZIELINSKI & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Board of Directors
Almost Home
St. Louis, Missouri

We have audited the accompanying financial statements of Almost Home (a nonprofit organization), which comprise the Statements of Financial Position as of December 31, 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 referred to above present fairly, in all material respects, the financial position of Almost Home as of December 31, 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 of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Almost Home and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, 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 Almost Home's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 Almost Home'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 Almost Home'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.



July 1, 2024

ALMOST HOME

STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,502,026	\$ 1,228,912
Investments (Note C)	276,734	329,262
Accounts receivable (Note D)	320,739	281,606
Prepaid expenses	<u>18,236</u>	<u>3,475</u>
Total Current Assets	<u>2,117,735</u>	<u>1,843,255</u>
Noncurrent Assets		
Property, plants, and equipment, net (Note E)	722,765	780,276
Due from Almost Home Permanent Housing, L.P. (Note H)	453,161	383,332
Note receivable—Almost Home Permanent Housing, L.P. (Note H)	<u>82,859</u>	<u>82,859</u>
Total Noncurrent Assets	<u>1,258,785</u>	<u>1,246,467</u>
TOTAL ASSETS	<u>\$ 3,376,520</u>	<u>\$ 3,089,722</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 12,041	\$ 31,345
Accrued expenses	<u>34,747</u>	<u>29,665</u>
TOTAL LIABILITIES	<u>46,788</u>	<u>61,010</u>
Net assets		
Without donor restrictions	3,005,777	2,697,186
Board designated (Note I)	106,660	106,660
With donor restrictions (Note J)	<u>217,295</u>	<u>224,866</u>
TOTAL NET ASSETS	<u>3,329,732</u>	<u>3,028,712</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,376,520</u>	<u>\$ 3,089,722</u>

ALMOST HOME

STATEMENTS OF ACTIVITIES

For the years ended December 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Grant income	\$ 316,106	\$ 23,000	\$ 339,106	\$ 309,973	\$ 22,500	\$ 332,473
Fees for services	565,312	-	565,312	316,599	-	316,599
Other development revenue	218	142,759	142,977	-	143,700	143,700
Donations	166,258	-	166,258	282,434	-	282,434
Special event revenue, net of expenses	69,542	-	69,542	120,733	-	120,733
Interest	10,380	-	10,380	79	-	79
Donations in-kind (Note K)	168,726	-	168,726	107,668	-	107,668
Other income	2,513	-	2,513	1,781	-	1,781
Net assets released from restrictions	173,330	(173,330)	-0-	174,565	(174,565)	-0-
TOTAL SUPPORT AND REVENUE	<u>1,472,385</u>	<u>(7,571)</u>	<u>1,464,814</u>	<u>1,313,832</u>	<u>(8,365)</u>	<u>1,305,467</u>
Expenses						
Program services	801,811	-	801,811	761,481	-	761,481
Management and general	159,568	-	159,568	155,301	-	155,301
Fundraising	127,545	-	127,545	128,692	-	128,692
TOTAL EXPENSES	<u>1,088,924</u>	<u>-</u>	<u>1,088,924</u>	<u>1,045,474</u>	<u>-</u>	<u>1,045,474</u>
CHANGES IN NET ASSETS BEFORE OTHER CHANGES	<u>383,461</u>	<u>(7,571)</u>	<u>375,890</u>	<u>268,358</u>	<u>(8,365)</u>	<u>259,993</u>
Other Changes						
Almost Home Permanent Housing investment activity	(77,164)	-	(77,164)	(69,161)	-	(69,161)
Loss on sale of fixed assets	-	-	-0-	(1,209)	-	(1,209)
Unrealized gain (loss) on investment	2,294	-	2,294	(693)	-	(693)
TOTAL OTHER CHANGES	<u>(74,870)</u>	<u>-</u>	<u>(74,870)</u>	<u>(71,063)</u>	<u>-</u>	<u>(71,063)</u>
CHANGES IN NET ASSETS	<u>308,591</u>	<u>(7,571)</u>	<u>301,020</u>	<u>197,295</u>	<u>(8,365)</u>	<u>188,930</u>
Net Assets, Beginning of Year	<u>2,803,846</u>	<u>224,866</u>	<u>3,028,712</u>	<u>2,606,551</u>	<u>233,231</u>	<u>2,839,782</u>
NET ASSETS, END OF YEAR	<u>\$ 3,112,437</u>	<u>\$ 217,295</u>	<u>\$ 3,329,732</u>	<u>\$ 2,803,846</u>	<u>\$ 224,866</u>	<u>\$ 3,028,712</u>

ALMOST HOME

STATEMENTS OF FUNCTIONAL EXPENSES

For the years ended December 31, 2023 and 2022

	2023				2022			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Interest expense	-	-	-	\$ -0-	\$ 97	-	-	\$ 97
Food	\$ 8,679	-	-	8,679	6,895	-	-	6,895
Education	2,638	\$ 3,277	-	5,915	139	\$ 1,033	-	1,172
Printing	505	1,808	\$ 346	2,659	125	448	\$ 86	659
Facilities	36,966	-	-	36,966	49,271	-	-	49,271
Utilities	42,835	-	-	42,835	43,845	-	-	43,845
Software expenses	5,635	1,032	1,270	7,937	4,532	830	1,021	6,383
Miscellaneous	2,523	5,344	-	7,867	11,287	5,833	-	17,120
Memberships and subscriptions	639	-	-	639	300	-	-	300
Insurance	31,902	5,807	6,959	44,668	33,288	6,058	7,263	46,609
Equipment	1,861	6,660	1,273	9,794	628	2,248	430	3,306
Personnel costs	435,888	85,232	98,228	619,348	443,195	85,306	99,373	627,874
Donations in-kind	168,726	-	-	168,726	107,668	-	-	107,668
Transportation	1,992	-	19	2,011	3,108	-	30	3,138
Taxes and licenses	-	742	-	742	-	566	-	566
Professional fees	6,124	39,070	10,248	55,442	6,604	42,135	11,052	59,791
Bank and merchant fees	-	2,266	-	2,266	-	1,434	-	1,434
Supplies	14,066	854	-	14,920	8,623	1,743	-	10,366
Depreciation	40,832	7,476	9,202	57,510	41,876	7,667	9,437	58,980
TOTAL FUNCTIONAL EXPENSES	\$ 801,811	\$ 159,568	\$ 127,545	\$ 1,088,924	\$ 761,481	\$ 155,301	\$ 128,692	\$ 1,045,474

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STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Changes in net assets	\$ 301,020	\$ 188,930
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	57,510	58,980
Unrealized (gains) losses in investments	(2,294)	693
Changes in:		
Accounts receivable	(39,133)	21,548
Due from Almost Home Permanent Housing, L.P.	(69,829)	(31,433)
Prepaid expenses	(14,761)	10,683
Accounts payable and other liabilities	(14,221)	23,925
NET CASH PROVIDED BY OPERATING ACTIVITIES	218,292	273,326
Cash Flows from Investing Activities		
Real estate investment activity, net	77,164	69,161
Investment activity, net	(22,342)	(17,619)
Property and equipment, net	-	(46,600)
NET CASH PROVIDED BY INVESTING ACTIVITIES	54,822	4,942
NET INCREASE IN CASH	273,114	278,268
Cash and Cash Equivalents, Beginning of Year	1,228,912	950,644
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,502,026	\$ 1,228,912
Interest Paid	\$ -0-	\$ 97

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NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Almost Home (the Organization), is a not-for-profit corporation organized under the law of the State of Missouri and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Service Code. Almost Home is a transitional living experience for young women with children, coming from inadequate housing or other agencies, who want to develop personal and economic independence and stability. Almost Home commits to provide an environment of trust and respect where women may develop concrete skills which will enable them to achieve their individual goals. Prior to December 15, 2015, Almost Home was sponsored by the Franciscan Sisters of Mary. Effective December 15, 2015, Almost Home is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) independent of the Franciscan Sisters of Mary.

Basis of Presentation

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

Net assets without donor restrictions—net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions—net assets subject to donor-imposed stipulations that can be used for specified purposes or time periods or must be maintained in perpetuity by the Organization.

Revenue Recognition

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as support with donor restrictions and increase the respective class of net assets. Contributions received with donor restrictions that are met in the same reporting period are reported as unrestricted support and increase net assets without donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts. At times, cash may be in excess of the FDIC limits.

Investments

Investments are reported at market value. Gains or losses on sales of investments are determined on a specific cost identification method. Unrealized gains and losses are determined based on year-end value fluctuations.

Accounts Receivable

The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

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NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2023 and 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 1, 2024, the date the financial statements were available to be issued.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost or fair market value at date of donation. All expenditures for property and equipment in excess of \$5,000 are capitalized. Major renewals and improvements are capitalized while replacements, maintenance, and repairs which do not improve or extend the lives of the assets are expensed currently. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, on a straight-line basis as follows:

	<u>Years</u>
Buildings	20-40
Land improvements	20
Furniture and equipment	3-10
Automobiles	5

Use of Estimates

In preparing the Organization's financial statements, in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

Comparative Statements

The financial statements for the prior period are presented for comparative purposes.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from comparable state law whereby only unrelated business income when earned, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. The Organization currently has no unrelated business income.

The Organization does not believe there are any material uncertain tax positions and, accordingly, they will not recognize any liability for them. For the year ended December 31, 2023, there were no penalties or interest recorded or included in the financial statements.

The Organization's Form 990, Return of Organization Exempt from Income Taxes for the years ended December 31, 2023, 2022, and 2021, are subject to examination by the IRS, generally three years after they were filed.

Leases

Almost Home does not have any material leases.

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NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2023 and 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Expenses

The Organization allocates certain of its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly to that function.

Contributed Services

Contributed services are reflected in the financial statements at the fair value of the services received. Contributed services are recognized for services that require specialized skills and services that do not require specialized skills that would need to be purchased if not provided by donation.

NOTE B—LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 1,502,026
Investments (Level 1)	88,883
Accounts receivable	320,739
Less liabilities	(46,788)
Less net assets with donor restrictions	<u>(217,295)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,647,565</u>

As part of management's liquidity plan, cash in excess of daily requirements is invested in money market funds. Almost Home has the ability to draw on a \$90,000 line of credit to assist with cash needs.

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NOTES TO FINANCIAL STATEMENTS *(Continued)*

December 31, 2023 and 2022

NOTE C—INVESTMENTS

The Organization adopted FASB Accounting Standards Codification (ASC) Topic 820. Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table summarizes the levels in the fair value hierarchy of the Organization’s investments at December 31, 2023 and 2022:

	2023		
	Level 1	Level 3	Total
Cash and cash equivalents	\$ 64,455	-	\$ 64,455
Stock	10,923	-	10,923
Mutual funds	13,505	-	13,505
Real estate (Note F)	-	\$ 187,851	187,851
	<u>\$ 88,883</u>	<u>\$ 187,851</u>	<u>\$ 276,734</u>
	2022		
	Level 1	Level 3	Total
Cash and cash equivalents	\$ 64,247	-	\$ 64,247
Real estate (Note F)	-	\$ 265,015	265,015
	<u>\$ 64,247</u>	<u>\$ 265,015</u>	<u>\$ 329,262</u>

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NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2023 and 2022

NOTE C—INVESTMENTS (Continued)

The composition of the investment return included in the Statements of Activities is as follows for the year ended December 31, 2023 and 2022:

	Level 1	
	2023	2022
Interest, dividends, and capital gains	\$ 1,068	-
Realized gain	-	\$ 113
Unrealized gain (loss) on investments	<u>2,294</u>	<u>(806)</u>
	<u>\$ 3,362</u>	<u>\$ (693)</u>

The following summarizes the changes in fair value of Almost Home Level 3 investments:

Balance at 01/01/2022	\$ 334,176
Net rental activity	(69,517)
Interest income	356
Balance at 12/31/2022	265,015
Net rental activity	(77,670)
Interest income	<u>506</u>
	<u>(77,164)</u>
Balance at 12/31/2023	<u>\$ 187,851</u>

NOTE D—ACCOUNTS RECEIVABLE

As of December 31, accounts receivable consisted of:

	2023	2022
St. Louis County	\$ 156,781	\$ 120,532
United Way	147,244	143,700
Affordable housing	8,462	-
Rodemeyer Christel, Inc.	5,428	9,093
City of St. Louis	-	4,159
CACFP	2,824	2,622
Other	<u>-</u>	<u>1,500</u>
TOTAL	<u>\$ 320,739</u>	<u>\$ 281,606</u>

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NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2023 and 2022

NOTE E—PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consisted of the following at December 31:

	<u>2023</u>	<u>2022</u>
Land	\$ 46,763	\$ 46,763
Buildings	1,839,857	1,839,857
Furniture and equipment	200,219	200,219
Land improvements	207,633	207,633
Automobiles	<u>41,162</u>	<u>41,162</u>
	2,335,634	2,335,634
Less: accumulated depreciation	<u>(1,612,869)</u>	<u>(1,555,358)</u>
TOTAL	<u>\$ 722,765</u>	<u>\$ 780,276</u>

Depreciation expense was \$57,510 and \$58,980 for the years ended December 31, 2023 and 2022, respectively.

NOTE F—INVESTMENT IN PARTNERSHIP

Almost Home is the General Partner of Almost Home Permanent Housing, L.P., which owns and operates an apartment building used as transitional housing for women. During the construction of the transitional housing, certain transactions occurred between the Partnership and Almost Home. The investment in the Partnership is accounted for using the cost method on the Statement of Financial Position of Almost Home.

NOTE G—LINE OF CREDIT

On March 10, 2015, the Organization obtained a demand line of credit from U.S. Bank up to a maximum of \$90,000. The interest rate charged on any outstanding balance will be equal to the prime rate announced by the bank. The Agreement and the Note are secured by any and all security interests, pledges, mortgages/deeds of trust. The following are pledged as collateral: accounts, instruments, monies, documents, chattel paper, general intangibles, contract rights, investment property (including any securities entitlements and/or securities accounts held by debtor), certificates of deposit, deposit accounts, letter of credit rights, all inventory, and all equipment. There have been no draws on the line of credit to date.

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NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2023 and 2022

NOTE H—RELATED-PARTY TRANSACTIONS

Almost Home is the general partner (100%) in Almost Home Permanent Housing, L.P. Accounts receivable of \$453,161 and \$383,332 at December 31, 2023 and 2022, respectively, is due from Almost Home Permanent Housing, L.P. for operating expenses paid by Almost Home.

During the years ended December 31, 2023 and 2022, Almost Home paid \$69,829 and \$31,432, respectively, of operating expenses on behalf of the Partnership.

Note receivable consisted of a non-interest bearing loan made to Almost Home Permanent Housing, L.P. during constructions of the apartments. As of December 31, 2023 and 2022, the outstanding balance was \$82,859 each year.

NOTE I—BOARD-DESIGNATED NET ASSETS

Board-designated net assets consisted of the following at December 31:

	<u>2023</u>	<u>2022</u>
Operations—special projects	\$ 106,660	\$ 106,660

NOTE J—DONOR RESTRICTED NET ASSETS

Donor restricted net assets were available for the following purposes at December 31:

	<u>2023</u>	<u>2022</u>
Program	\$ 180,564	\$ 181,506
Scholarships	16,389	22,554
Alumni support	<u>20,342</u>	<u>20,806</u>
TOTAL	<u>\$ 217,295</u>	<u>\$ 224,866</u>

NOTE K—DONATIONS IN-KIND

Donations in-kind consisted of the following:

	<u>2023</u>	<u>2022</u>
Labor (includes unspecialized labor)	\$ 46,162	\$ 33,411
Household items including furniture	<u>122,564</u>	<u>74,257</u>
	<u>\$ 168,726</u>	<u>\$ 107,668</u>

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NOTES TO FINANCIAL STATEMENTS *(Continued)*

December 31, 2023 and 2022

NOTE L—CONTINGENT LIABILITIES

Almost Home receives State, St. Louis County, and City of St. Louis grant funding for specific purposes that are subject to review and audit by the grantor or their representatives. These reviews and audits could lead to requests for reimbursements or to withholding of future funding for expenditures disallowed, or other noncompliance, with the terms of the grants and funding. Almost Home is not aware of any noncompliance with State, St. Louis County, and City of St. Louis provisions that might require Almost Home to provide reimbursements that would be significant to the Almost Home financial statements.

Almost Home (general partner) and Almost Home Development, L.L.C. (guarantor) have certain obligations for operating deficits and certain other costs in connection with Almost Home Permanent Housing, L.P. (Project). The Project was completed during 2004 and began operations in September 2004.

NOTE M—CONCENTRATION OF SUPPORT RISK

The Organization receives support from various sources. For 2023 and 2022, 32 percent and 26 percent, respectively, of the Organization's support was from a single source.

NOTE N—RECLASSIFICATION

As of December 31, 2022, certain balances have been reclassified for comparative purposes.