

AUDITED FINANCIAL STATEMENTS

HOMEAGAIN AND SUBSIDIARY

**FOR THE YEARS ENDED
JUNE 30, 2021 AND JUNE 30, 2020**

HOMEAGAIN AND SUBSIDIARY

AUDITED

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

JUNE 30, 2021 AND JUNE 30, 2020

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Dooley & Vicars
Certified Public Accountants, L.L.P.

Daniel J. Dooley, C.P.A.

Michael H. Vicars, C.P.A.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
HomeAgain and Subsidiary
Richmond, Virginia

Opinions

We have audited the accompanying financial statements of HomeAgain and Subsidiary (a nonprofit Organization) as of and for the years ended June 30, 2021 and June 30, 2020, and the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements, as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HomeAgain and Subsidiary at June 30, 2021 and June 30, 2020, and the results of its operations 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 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 HomeAgain and Subsidiary 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 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 HomeAgain and Subsidiary's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT (Continued)

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 based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Culpeper Community Development Corporation and Affiliates'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 Culpeper Community Development Corporation and Affiliates'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 audits.

INDEPENDENT AUDITOR'S REPORT
(Continued)

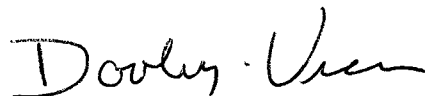
Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise HomeAgain and Subsidiary's basic financial statements.

The accompanying Schedule of Expenditures of Federal Awards are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statements. The other supplementary information is the responsibility of management as was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audits 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2021, on our consideration of HomeAgain and Subsidiary'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 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 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 HomeAgain and Subsidiary's internal control over financial reporting and compliance.



Dooley & Vicars
Certified Public Accountants, L.L.P

December 1, 2021

HOMEAGAIN AND SUBSIDIARY
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2021 AND JUNE 30, 2020

ASSETS

<u>Current Assets</u>	2021	2020
Cash	\$ 311,738	\$ 438,649
Cash - With Donor Restrictions	15,523	25,981
Grants Receivable	215,610	120,858
Promises to Give	11,655	12,013
Prepaid Expenses	12,584	1,673
Total Current Assets	567,110	599,174
 <u>Fixed Assets</u>		
Land	65,000	65,000
Buildings	1,977,070	1,938,655
Furniture	91,908	91,908
Vehicles	67,302	67,302
Construction in Progress	-	9,537
Accumulated Depreciation	(1,827,105)	(1,773,060)
Total Fixed Assets	374,175	399,342
 <u>Other Assets</u>		
Investments (Endowment Fund) With Donor Restrictions	189,850	162,783
Total Other Assets	189,850	162,783
TOTAL ASSETS	\$ 1,131,135	\$ 1,161,299

The accompanying notes are an integral part of these financial statements

HOMEAGAIN AND SUBSIDIARY
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2021 AND JUNE 30, 2020
 (CONTINUED)

LIABILITIES AND NET ASSETS

<u>Current Liabilities</u>	<u>2021</u>	<u>2020</u>
Accounts Payable and Accrued Expenses	\$ 114,015	\$ 58,782
Current Portion - Loan Payable	15,000	-
Total Current Liabilities	<u>129,015</u>	<u>58,782</u>
<u>Long term Liabilities</u>		
Note Payable - PPP Loan	-	235,600
Loan Payable	15,000	-
Lines of Credit	100,000	-
Less: Current Portion	<u>(15,000)</u>	<u>-</u>
Total Long-Term Liabilities	<u>100,000</u>	<u>235,600</u>
<u>Net Assets</u>		
Without Donor Restrictions	696,747	678,153
With Donor Restrictions	<u>205,373</u>	<u>188,764</u>
Total Net Assets	<u>902,120</u>	<u>866,917</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,131,135</u>	<u>\$ 1,161,299</u>

The accompanying notes are an integral part of these financial statements

**HOMEAGAIN AND SUBSIDIARY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020 (totals)**

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total 2021	Total 2020
SUPPORT AND REVENUE				
Government Grants	\$ 1,535,205	\$ -	\$ 1,535,205	\$ 1,512,800
Contributions	535,041	27,228	562,269	452,985
United Way	41,304	-	41,304	36,511
Program Fees and Other Revenue	261,048	-	261,048	39,051
Fundraising	88,440	-	88,440	158,749
In-Kind Revenue	8,871	-	8,871	96,625
Interest and Dividend Income	5	1,105	1,110	4,707
	<u>2,469,914</u>	<u>28,333</u>	<u>2,498,247</u>	<u>2,301,428</u>
Net Assets Released from Restriction	11,724	(11,724)	-	-
Total Support and Revenue	<u>2,481,638</u>	<u>16,609</u>	<u>2,498,247</u>	<u>2,301,428</u>
EXPENSES				
Program Services	2,033,989	-	2,033,989	2,144,418
Management and General	376,235	-	376,235	163,734
Fund Raising	52,820	-	52,820	161,296
	<u>2,463,044</u>	<u>-</u>	<u>2,463,044</u>	<u>2,469,448</u>
Total Expenses	<u>2,463,044</u>	<u>-</u>	<u>2,463,044</u>	<u>2,469,448</u>
Increase (Decrease) in Net Assets	18,594	16,609	35,203	(168,020)
NET ASSETS				
Beginning of Year	<u>678,153</u>	<u>188,764</u>	<u>866,917</u>	<u>1,034,937</u>
End of Year	<u>\$ 696,747</u>	<u>\$ 205,373</u>	<u>\$ 902,120</u>	<u>\$ 866,917</u>

The accompanying notes are an integral part of these financial statements

**HOMEAGAIN AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020**

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<u>Cash Flows from Operating Activities</u>	<u>2021</u>	<u>2020</u>
Change in Net Assets	\$ 35,203	\$ (168,020)
Adjustments to Reconcile Change in Net Assets		
Depreciation	54,045	52,932
(Increase) Decrease in:		
Grants Receivable	(94,752)	194,009
Promises to Give	358	61,571
Prepaid Expenses	(10,911)	2,172
Increase (Decrease) in:		
Accounts Payable and Accrued Liabilities	55,233	(20,190)
Net Cash Provided By (Used In) Operating Activities	<u>39,176</u>	<u>122,474</u>
<u>Cash Flows Provided By (Used In) Investing Activities</u>		
Increase in Investments and Cash With Donor Restrictions	(27,067)	10,103
Purchase of Property and Equipment	(28,878)	(11,604)
Net Cash Provided By (Used In) Investing Activities	<u>(55,945)</u>	<u>(1,501)</u>
<u>Cash Flows Provided By (Used In) Financing Activities</u>		
Net Proceeds (Payments) on Loans and Line of Credit	115,000	-
Principal Payments on Long-Term Debt	(235,600)	235,600
Net Cash Provided By (Used In) Financing Activities	<u>(120,600)</u>	<u>235,600</u>
Net Increase (Decrease) in Cash	(137,369)	356,573
Cash at Beginning of Year	464,630	108,057
Cash at End of Year	<u>\$ 327,261</u>	<u>\$ 464,630</u>
<u>Supplemental Disclosure of Cash Flow Information</u>		
Interest Paid	<u>\$ 2,673</u>	<u>\$ 2,501</u>

The accompanying notes are an integral part of these financial statements

HOMEAGAIN AND SUBSIDIARY
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020 (totals)

	Program Services					Supporting Services			Total	
	Family Shelter Services	Men's Shelter	Veteran's Transitional	Housing Services	Permanent Supportive Housing	Program Total	Management and General	Fundraising	2021	2020
Salaries	\$ 209,059	\$ 229,132	\$ 63,861	\$ 226,645	\$ 57,078	\$ 785,775	\$ 239,635	\$ 3,559	\$ 1,028,969	\$ 1,006,044
Fringe Benefits	40,430	41,201	9,745	40,268	12,001	143,645	38,693	2,183	184,521	152,250
Total Payroll Expenses	249,489	270,333	73,606	266,913	69,079	929,420	278,328	5,742	1,213,490	1,158,294
In Kind Expense	7,834	1,037	-	-	-	8,871	-	-	8,871	96,626
Client Services	50,642	9,808	5,283	436,723	281,326	783,782	6,602	-	790,384	769,760
Conference and Training	22	17	22	184	11	256	410	6	672	4,037
Equipment/Maintenance	25,201	28,564	885	1,798	2,914	59,362	14,898	887	75,147	44,546
Insurance	5,104	6,569	2,311	4,477	3,287	21,748	114	1,023	22,885	25,427
Interest	-	-	-	-	-	-	2,673	-	2,673	2,501
Occupancy	25,553	35,537	5,364	13,623	4,374	84,451	5,239	3,193	92,883	110,445
Office Expense	791	1,011	368	885	326	3,381	1,099	3,628	8,108	16,560
Professional Fees	15,652	13,518	10,148	36,042	8,537	83,897	47,919	3,940	135,756	97,033
Supplies/Adminstrative	225	-	50	165	10	450	16,372	-	16,822	3,778
Travel	101	173	2	2,891	1,461	4,628	-	700	5,328	2,148
Miscellaneous	98	73	100	131	50	452	478	21	951	-
Marketing and Outreach	-	-	-	55	-	55	1,294	33,680	35,029	85,361
Depreciation	25,809	25,809	-	809	809	53,236	809	-	54,045	52,932
Total Expenses	\$ 406,521	\$ 392,449	\$ 98,139	\$ 764,696	\$ 372,184	\$ 2,033,989	\$ 376,235	\$ 52,820	\$ 2,463,044	\$ 2,469,448

The accompanying notes are an integral part of these financial statements

**HOMEAGAIN AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020**

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Note 1: Nature of Business and Significant Accounting Policies

Nature of Business - HomeAgain and Subsidiary (HomeAgain) provides shelter, supportive services, and financial assistance for homeless individuals and families in the Richmond, Virginia vicinity. Emergency Shelters provide shelter for those experiencing a housing crisis. Permanent Supportive Housing provides permanent housing for those whose household has a member with a disability. Rapid Re-housing provides for financial assistance to quickly house individuals and families and immediately end homelessness. Services include on-going housing, substance abuse and employment counseling, and financial assistance to ensure long-term success.

Basis of Presentation - The financial statements have been prepared in accordance with the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) 958, Financial Statements of Not-for-Profit Organizations. In accordance with ASC 958, the Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Method of Accounting - The financial statements of HomeAgain have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Consolidation - The consolidated financial statements include the accounts of HomeAgain and its wholly owned subsidiary, ESI Enterprises, Inc. ESI Enterprises was established in 2004 to conduct and support activities that carry out the charitable purposes of HomeAgain, such as acquiring, holding, and operating facilities and other assets used by HomeAgain and conducting capital and endowment campaigns. All significant intercompany balances and transactions have been eliminated in consolidation.

Net Assets Without Donor Restrictions - are those currently available at the discretion of the Board of Directors for use in operations and those resources invested in property and equipment.

Net Assets With Donor Restrictions - are those which are stipulated by donors or grantors for specific program purposes. When a donor 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. Donor restricted revenue whose restrictions are met in the same year is reflected as net assets without donor restrictions.

HOMEAGAIN AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020
(CONTINUED)

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Note 1: Nature of Business and Significant Accounting Policies (Cont.)

Grants Receivable and Revenue Recognition - HomeAgain records revenue from all significant grants and contracts as costs are incurred to give recognition to the performance requirements of the various agreements. Grants receivables consist of amounts which have been incurred but not reimbursed by the respective grantor. HomeAgain receives a substantial portion of its operating capital funds from grants and awards.

Donated Materials and Services - The value of donated materials and services that either (a) created or enhanced a nonfinancial asset or (b) required specialized skills, was provided by individuals possessing those skills, and would typically have been purchased if not donated, are recognized in the consolidated financial statements. In addition, many individuals volunteer their time and perform a variety of tasks that assist HomeAgain with specific programs, campaign solicitations, and various committee assignments, for which no value is recognized in the audited consolidated financial statements.

Functional Allocation of Expenses - The cost of providing various programs and other activities has been summarized on a functional basis in the Statement of Activities. Accordingly, all expenses except for in-kind volunteer services are allocated among programs and supporting services benefited.

Cash and Cash Equivalents - For purposes of reporting cash flows, HomeAgain considers cash equivalents to include certificates of deposit and other highly liquid debt instruments purchased with an original maturity of three months or less.

Investments - Investments are held in an investment account and are stated at quoted market values. Changes in fair values are reported as unrealized income or loss in the statement of activities.

Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and disclosure of contingent assets and liabilities for the reported periods. Actual results could differ from those estimates.

Income Taxes - HomeAgain is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has determined that it does not have any material unrecognized tax benefits or obligations as of June 30, 2021 or 2020. Fiscal years ending on or after June 30, 2018 remain subject to examination by federal and state tax authorities.

**HOMEAGAIN AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020
(CONTINUED)**

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Note 1: Nature of Business and Significant Accounting Policies (Cont.)

Property and Equipment - Land Property and Equipment are recorded at cost. HomeAgain reports donations of land, buildings, and equipment as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used. Such donated property and equipment are recorded as support at their fair market value. Property and equipment are depreciated using the straight line method as follows:

Building	25-30 years
Leasehold Improvements	10 years
Equipment	3-10 years
Vehicles	5 years
Furniture and Fixtures	3-10 years

Impairment of Long-Term Assets - HomeAgain reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by rental property. There were no impairment losses recognized during 2021 or 2020.

Subsequent Events - Management has evaluated subsequent events through December 1, 2021, the date on which the financial statements were available to be issued.

Note 2: Program Support and Revenue

Contributions, including unconditional pledges, are recognized as revenues in the period received. Conditional pledges are not recognized until the conditions on which they depend are substantially met. Other pledges are restricted by time constraints and revenue is recognized after the noted amount of time has passed. Gifts of securities are recorded at their fair market value when received.

Note 3: Lease Commitments

HomeAgain leases numerous apartments used as program housing space under annual operating leases. Total rent expense under these leases for June 30, 2021 and 2020 were \$264,016 and \$232,787, respectively.

HOMEAGAIN AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020
(CONTINUED)

Note 4: Concentration of Credit Risk

Financial instruments that potentially subject HomeAgain to a concentration of credit risk consist principally of cash and Certificate of Deposits. HomeAgain maintains banking accounts with Truist Bank. Checking and money market account balances are insured by the FDIC and at times balances may exceed FDIC limits.

Note 5: Retirement

HomeAgain has a tax deferred group annuity contract with Mutual of America Life Insurance Company. Substantially all employees of the organization are eligible to become participants under this contract. HomeAgain made no contributions on behalf of eligible participants during 2021 and 2020.

Note 6: Fair Value Measurements

Fair values of assets measured on a recurring basis at June 30, 2021 and 2020 are as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value of Assets
<u>June 30, 2021</u>		
FDIC Insured Deposits	\$ 102,535	\$ 102,535
Equity Securities	87,315	87,315
	<u>\$ 189,850</u>	<u>\$ 189,850</u>
<u>June 30, 2020</u>		
FDIC Insured Deposits	\$ 124,869	\$ 124,869
Equity Securities	37,914	37,914
	<u>\$ 162,783</u>	<u>\$ 162,783</u>

Level 1-Unadjusted quoted prices that are available in active markets for the identical assets at the measurement date. Fair Values for short-term investments and long-term investments are determined by reference to quoted market prices and other relevant information generated by market transactions. The Organization does not have any Level 2 or Level 3 investments.

HOMEAGAIN AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020
(CONTINUED)

Note 7: Endowment Fund

The Edward White King Fund was established and controlled by Ann and Don King in honor of their son Edward White King to benefit children at the Espigh Family Shelter and Family INRICH Transition in Place Program. All contributions made to the Fund shall be placed in a separate and discrete interest-bearing account. The interest generated by the contributions placed in the account shall be made available and used exclusively for the benefit of children sheltered by the Emergency Shelter, Inc. The principal amount of the Fund shall not be spent. In the event that the operation of HomeAgain shall cease, the principal amount of the Fund shall be transferred to a charitable organization serving homeless children. HomeAgain shall consult with the King Family to the extent feasible concerning uses of the investment income and any transfer of the principal of the fund.

The composition of endowment net assets for HomeAgain and the changes in endowment net assets as of June 30, 2021 and 2020 are as follows:

	<u>Investments With Donor Restrictions</u>
Endowment Fund Net Assets June 30, 2019	\$ 172,886
Investment Income	4,687
Net Deposits and Withdrawals	<u>(14,790)</u>
Endowment Fund Net Assets June 30, 2020	162,783
Investment Income	1,105
Net Deposits and Withdrawals	<u>25,962</u>
Endowment Fund Net Assets June 30, 2021	\$ 189,850
	<u>Cash Endowment With Donor Restrictions</u>
Cash Endowment Net Assets June 30, 2019	\$ 16,721
Net Deposits and Withdrawals	<u>9,260</u>
Cash Endowment Net Assets June 30, 2020	25,981
Net Deposits and Withdrawals	<u>(10,458)</u>
Cash Endowment Net Assets June 30, 2021	\$ 15,523

HOMEAGAIN AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020
(CONTINUED)

Note 8: Compensated Absences

The Organization allows employees to accrue compensated absences and the earned leave to future years. The following summarizes the compensated absence expense and accrual during 2021 and 2020:

Balance 6/30/2019	Earned	Used	Balance 6/30/2020
\$ 15,604	42,911	42,777	\$ 15,738
Balance 6/30/2020	Earned	Used	Balance 6/30/2021
\$ 15,738	40,186	31,496	\$ 24,428

Note 9: Net Assets With Donor Restrictions

Net assets with donor restrictions as of June 30, 2021 consisted of \$189,950 of Endowment Funds and \$15,523 for the benefit of children sheltered by the Organization.

Net assets with donor restrictions as of June 30, 2020 consisted of \$162,753 of Endowment Funds and \$25,981 for the benefit of children sheltered by the Organization.

Note 10: Notes Payable and Lines of Credit

Loan Payable - The loan is for \$15,000 with interest at 3.25% per annum. The loan is through the HomeAgain board members. The entire balance of principal and interest is due in July of 2021.

The Organization has a line of credit for \$100,000 through Atlantic Union Bank. The line has a variable interest rate that is based on the prime rate as published in the Wall Street Journal. At June 30, 2021 the line of credit has a \$100,000 principal balance.

HOMEAGAIN AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND JUNE 30, 2020
(CONTINUED)

Note 11: Contingencies and Commitments

During 2020, the World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. The coronavirus outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of the outbreak on operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact to the Organization, and governmental, regulatory and private sector responses.

Note 12: Availability and Liquidity

The following represents the Organization's financial assets at June 30, 2021, and June 30, 2020:

	2021	2020
Cash and Cash Equivalents	\$ 327,261	\$ 464,630
Grants Receivable	215,610	114,739
Promises to Give	11,655	12,012
Prepaid Expenses	12,584	1,673
	<hr/>	<hr/>
Total Financial Assets	567,110	593,054
	<hr/>	<hr/>
Less Amounts Not Available to be Used Within One Year:		
Net Assets with Donor Restrictions	205,373	188,764
	<hr/>	<hr/>
Nonavailable Funds	205,373	188,764
	<hr/>	<hr/>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 361,737	\$ 404,290
	<hr/> <hr/>	<hr/> <hr/>

The Organization manages its liquidity by completing annual operating budgets that provide sufficient funds for general expenditures in meeting liabilities and other obligations as they become due.

Note 13: Related Party Transactions

As stated in Note 10, The Organization has loan for \$15,000 with interest at 3.25% per annum. The loan is through the HomeAgain board members. The entire balance of principal and interest is due in July of 2021.

SUPPLEMENTAL INFORMATION

**HOMEAGAIN AND SUBSIDIARY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Schedule of Expenditures of Federal Awards

	<u>Federal CFDA Number</u>	<u>Pass- Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>Department of Housing and Urban Development</u>			
Rapid Rehousing	14.235*		\$ 263,216
Permanent Supportive Housing Program	14.235*		<u>343,155</u>
			<u>606,371</u>
 <u>Pass-Through from the State of Virginia</u>			
Covid Homelessness Emergency Response Program	14.231	N/A	99,365
 <u>Pass-Through from City of Richmond:</u>			
Emergency Solutions Grant Program	14.231	N/A	159,118
 <u>Pass-Through from Virginia Dept of Housing and Community Development (VHSP Grant)</u>			
Emergency Solutions Grant Program	14.231	N/A	<u>51,289</u>
			<u>309,772</u>
 Total U.S. Department of Housing and Urban Development			 <u>916,143</u>
 <u>U.S. Department of Veterans Affairs</u>			
Homeless Veterans Reintegration Project and Per Diem Program	64.024		<u>113,315</u>
			<u>113,315</u>

HOMEAGAIN AND SUBSIDIARY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021
(CONTINUED)

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U.S. Department Of Agriculture

Child and Adult Care Food Program	10.558	<u>4,389</u>
		<u>4,389</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u><u>\$ 1,033,847</u></u>

* Denotes a Major Program

Notes to Schedule of Expenditures of Federal Awards

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of HomeAgain and Subsidiary. Under programs of the federal government for the year ended June 30, 2021. 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 HomeAgain, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of HomeAgain and Subsidiary.

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.

Pass-through entity identifying numbers are presented where available

Note C - Indirect Cost Allocation

HomeAgain and Subsidiary has not elected to use the 10-percent de minimus indirect cost rate as allowed under Uniform Guidance.

**HOMEAGAIN AND SUBSIDIARY
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2021**

There were no prior year audit findings

**HOMEAGAIN AND SUBSIDIARY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

Section I - Summary of Auditor's Results

Financial Statements

Type of Auditor's report issued: Unmodified

Internal control over financial reporting:

* Material weakness(es) identified? _____ yes X no

* Significant Deficiency(s) identified that are not considered to be material weakness(es)? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

* Material weakness(es) identified? _____ yes X no

* Significant Deficiency(s) identified that are not considered to be material weakness(es)? _____ yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2, Part 200 (Uniform Guidance)? _____ yes X no

Identification of major programs:

CFDA Number

14.235

Name of Program

Supportive Housing Program

Dollar threshold used to distinguish between type A and B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes _____ no

**HOMEAGAIN AND SUBSIDIARY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

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Section II - Financial Statement Findings

There were no financial statement findings.

Section III - Federal Awards Findings and Questioned Costs

There were no financial awards findings or questioned costs.



**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 Board of Directors
HomeAgain and Subsidiary
Richmond, Virginia

We have audited, 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, the financial statements of HomeAgain and Subsidiary, which comprise of the statement of financial position as of June 30, 2021 and June 30, 2020, and the related statements of activities, changes in net position, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon December 1, 2021.

Internal Control over Financial Reporting

In planning and performing our audit, we considered HomeAgain and Subsidiary's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of HomeAgain and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of HomeAgain and Subsidiary'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 over financial reporting 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 significant deficiencies or material weaknesses. 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.

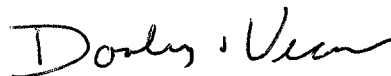
Compliance and Other Matters

As part of obtaining reasonable assurance about whether HomeAgain and Subsidiary'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 determination of financial statement amounts. 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*.

**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*
(CONTINUED)**

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.



Dooley & Vicars
Certified Public Accountants

December 1, 2021



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

To the Board of Directors
HomeAgain and Subsidiary
Richmond, Virginia

Report on Compliance for Each Major Program

We have audited HomeAgain and Subsidiary's compliance with the types of compliance requirements described in the *(OMB) Uniform Guidance Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year then ended June 30, 2021. HomeAgain and Subsidiary's major federal programs are identified in the summary of auditor's results section with the accompanying schedule of findings and questions costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of HomeAgain and Subsidiary's major federal programs based on our audit of the types of compliance requirements referred to above.

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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about HomeAgain and Subsidiary's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with each major program. However, our audit does not provide a legal determination on HomeAgain and Subsidiary's compliance.

Opinion on Each Major Program

In our opinion, HomeAgain and Subsidiary complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified above for the year then ended June 30, 2021.

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

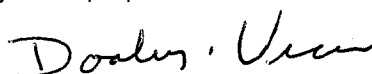
Report on Internal Control over Compliance

Management of HomeAgain and Subsidiary is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's 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 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 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 the attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be *material weaknesses* or *significant deficiencies*. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, material weaknesses may exist that have not been identified.

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 our testing based on the requirements of *OMB Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.



Dooley & Vicars
Certified Public Accountants

December 1, 2021