

**AUDITED FINANCIAL STATEMENTS**  
**HOMEAGAIN AND SUBSIDIARY**  
**FOR THE YEARS ENDED**  
**JUNE 30, 2018 AND JUNE 30, 2017**

**HOMEAGAIN AND SUBSIDIARY**

**AUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED**

**JUNE 30, 2018 AND JUNE 30, 2017**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
HomeAgain and Subsidiary  
Richmond, Virginia

We have audited the accompanying financial statements of HomeAgain and Subsidiary (a nonprofit Organization) as of and for the years ended June 30, 2018 and June 30, 2017 and the related notes to the financial statements, which collectively comprise the entity's basic financial statements, as listed in the Table of Contents.

### 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.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

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, 2018 and June 30, 2017 and the changes in its net position and, where applicable, its cash flows thereof for the years ended in accordance with accounting principles generally accepted in the United States of America.

**INDEPENDENT AUDITOR'S REPORT**  
**(Continued)**

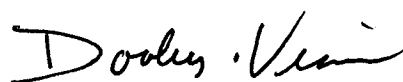
**Other Matters**

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 October 23, 2018, 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

October 23, 2018

**HOMEAGAIN AND SUBSIDIARY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2018 AND JUNE 30, 2017**

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**ASSETS**

<u>Current Assets</u>	<u>2018</u>	<u>2017</u>
Cash	\$ 262,831	\$ 138,313
Cash - Temporarily Restricted	5,419	10,329
Certificate of Deposit	-	109,231
Grants Receivable	193,043	169,584
Promises to Give	30,000	42,715
	<hr/>	<hr/>
Total Current Assets	491,293	470,172
	<hr/>	<hr/>
<u>Fixed Assets</u>		
Land	65,000	65,000
Buildings	1,938,655	1,921,755
Furniture	84,773	79,586
Vehicles	60,951	86,605
Accumulated Depreciation	(1,666,358)	(1,644,063)
	<hr/>	<hr/>
Total Fixed Assets	483,021	508,883
	<hr/>	<hr/>
<u>Other Assets</u>		
Prepaid Expenses	2,176	7,288
	<hr/>	<hr/>
Total Other Assets	2,176	7,288
	<hr/>	<hr/>
<u>Restricted Assets</u>		
Investments - Restricted (Endowment)	169,446	171,537
	<hr/>	<hr/>
Total Restricted Assets	169,446	171,537
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>\$ 1,145,936</b>	<b>\$ 1,157,880</b>
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

**HOMEAGAIN AND SUBSIDIARY**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2018 AND JUNE 30, 2017**  
**(CONTINUED)**

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**LIABILITIES AND NET ASSETS**

<u>Current Liabilities</u>	<u>2018</u>	<u>2017</u>
Accounts Payable and Accrued Expenses	\$ 60,027	\$ 58,402
Line of Credit	-	48,130
Deferred Revenue	30,000	-
Current Portion - Mortgage Payable	<u>10,768</u>	<u>11,306</u>
Total Current Liabilities	<u>100,795</u>	<u>117,838</u>
 <u>Long term Liabilities</u>		
Mortgage Payable	10,768	22,074
Less: Current Portion	<u>(10,768)</u>	<u>(11,306)</u>
Total Long-Term Liabilities	<u>-</u>	<u>10,768</u>
 <u>Net Assets</u>		
Unrestricted	840,276	804,464
Temporarily Restricted	35,419	53,094
Permanently Restricted	<u>169,446</u>	<u>171,716</u>
Total Net Assets	<u>1,045,141</u>	<u>1,029,274</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 1,145,936</u>	 <u>\$ 1,157,880</u>

The accompanying notes are an integral part of these financial statements

**HOMEAGAIN AND SUBSIDIARY  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017 (totals)**

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	2018	2017
<b>SUPPORT AND REVENUE</b>					
Government Grants	\$ 1,598,177	\$ -	\$ -	\$ 1,598,177	\$ 1,614,386
Contributions	349,908	30,000	-	379,908	274,457
United Way	48,667	-	-	48,667	50,000
Program Fees and Other Revenue	25,484	-	-	25,484	23,219
Fundraising	77,265	-	-	77,265	108,625
In-Kind Revenue	48,315	-	-	48,315	41,813
Unrealized Gain (Loss) on Investments	-	-	(7,131)	(7,131)	(10)
Interest and Dividend Income	21	-	4,861	4,882	3,493
	<u>2,147,837</u>	<u>30,000</u>	<u>(2,270)</u>	<u>2,175,567</u>	<u>2,115,983</u>
Net Assets Released from Restriction	47,675	(47,675)	-	-	-
Total Support and Revenue	<u>2,195,512</u>	<u>(17,675)</u>	<u>(2,270)</u>	<u>2,175,567</u>	<u>2,115,983</u>
<b>EXPENSES</b>					
Program Services	1,966,066	-	-	1,966,066	1,958,420
Management and General	79,640	-	-	79,640	165,805
Fund Raising	113,994	-	-	113,994	104,385
Total Expenses	<u>2,159,700</u>	<u>-</u>	<u>-</u>	<u>2,159,700</u>	<u>2,228,610</u>
Increase (Decrease) in Net Assets	35,812	(17,675)	(2,270)	15,867	(112,627)
<b>NET ASSETS</b>					
Beginning of Year	804,464	53,094	171,716	1,029,274	1,141,901
End of Year	<u>\$ 840,276</u>	<u>\$ 35,419</u>	<u>\$ 169,446</u>	<u>\$ 1,045,141</u>	<u>\$ 1,029,274</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, 2018 AND JUNE 30, 2017**

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<u>Cash Flows from Operating Activities</u>	<u>2018</u>	<u>2017</u>
Change in Net Assets	\$ 15,867	\$ (112,627)
Adjustments to Reconcile Change in Net Assets		
Depreciation	52,095	49,972
Unrealized and Realized (Gain) Loss on Investment, Net	7,131	(2,576)
Contributions Restricted to Long Term Purposes	-	-
Donated Materials	(4,146)	-
(Increase) Decrease in:		
Grants Receivable	(23,459)	103,216
Promises to Give	12,715	(19,715)
Prepaid Expenses	5,112	14,587
Increase (Decrease) in:		
Accounts Payable and Accrued Liabilities	1,625	18,644
Deferred Revenue	30,000	-
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>96,940</u>	<u>51,501</u>
<u>Cash Flows (Used In) Investing Activities</u>		
Certificate of Deposit	109,231	(1,087)
Increase in Investments and Restricted Cash	(5,040)	(1,469)
Purchase of Property and Equipment	(22,087)	-
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>82,104</u>	<u>(2,556)</u>
<u>Cash Flows (Used In) Financing Activities</u>		
Net Proceeds (Payments) on Line of Credit	(48,130)	31,894
Principal Payments on Long-Term Debt	(11,306)	(10,863)
<b>Net Cash Provided By (Used In) Financing Activities</b>	<u>(59,436)</u>	<u>21,031</u>
Net Increase (Decrease) in Cash	119,608	69,976
Cash at Beginning of Year	148,642	78,666
<b>Cash at End of Year</b>	<u>\$ 268,250</u>	<u>\$ 148,642</u>
<u>Supplemental Disclosure of Cash Flow Information</u>		
Interest Paid	\$ 1,009	\$ 3,066

The accompanying notes are an integral part of these financial statements

**HOMEAGAIN AND SUBSIDIARY**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017 (totals)**

	Program Services				Supporting Services			Total
	Family Shelter Services	Men's Shelter	Veteran's Transitional	Housing Services	Program Total	Management and General	Fundraising	
Salaries	\$ 149,759	\$ 209,219	\$ 177,634	\$ 223,105	\$ 759,717	\$ 36,004	\$ 35,782	\$ 831,503
Fringe Benefits	30,141	37,141	27,212	42,575	137,069	7,761	5,942	150,772
Total Payroll Expenses	179,900	246,360	204,846	265,680	896,786	43,765	41,724	982,275
In Kind Expense	13,205	20,811	8,759	1,562	44,337	2,630	1,078	48,045
Client Services	17,259	1,787	1,890	735,699	756,635	75	180	756,890
Conference and Training	448	337	418	1,115	2,318	594	911	3,823
Equipment/Maintenance	13,786	9,625	1,625	980	26,016	711	9	26,736
Insurance	5,568	4,952	4,723	8,384	23,627	1,265	1,089	25,981
Interest	-	457	-	-	457	552	-	1,009
Occupancy	27,060	30,005	11,586	15,896	84,547	4,245	2,338	91,130
Office Expense	1,958	2,064	1,643	2,557	8,222	708	1,411	10,341
Professional Fees	14,083	12,702	12,315	21,872	60,972	15,087	14,303	90,362
Supplies/Administrative	340	111	203	478	1,132	4,014	1,392	6,538
Travel	669	39	238	2,500	3,446	77	75	3,598
Miscellaneous	804	425	538	1,022	2,789	5,917	8,537	17,243
Marketing and Outreach	25	27	149	2,486	2,687	-	40,947	43,634
Depreciation	47,852	3,184	1,059	-	52,095	-	-	52,095
Total Expenses	\$ 322,957	\$ 332,886	\$ 249,992	\$ 1,060,231	\$ 1,966,066	\$ 79,640	\$ 113,994	\$ 2,159,700
								\$ 2,228,610

The accompanying notes are an integral part of these financial statements

**HOMEAGAIN AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

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**Note 1: Organization and 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.

**Note 2: Summary of Significant Accounting Policies**

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.

Basis of Presentation - HomeAgain is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted - are those currently available at the discretion of the Board of Directors for use in operations and those resources invested in property and equipment.

Temporarily Restricted - are those which are stipulated by donors or grantors for specific program purposes. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted revenue whose restrictions are met in the same year is reflected as unrestricted revenue.

Permanently Restricted - are restricted to investments in perpetuity, the income from which is expendable in accordance with the conditions of each specific donation.

**HOMEAGAIN AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**  
**(CONTINUED)**

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**Note 2: Summary of 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, certain costs have been 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, 2018 or 2017. Fiscal years ending on or after June 30, 2015 remain subject to examination by federal and state tax authorities.

**HOMEAGAIN AND SUBSIDIARY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017  
(CONTINUED)**

**Note 2: Summary of 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 2018 or 2017.

Subsequent Events - Management has evaluated subsequent events through October 23, 2018, the date on which the financial statements were available to be issued.

**Note 3: 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. Deferred revenue represents inactive revenue for certain programs.

**Note 4: Lease Commitments**

HomeAgain leases numerous apartments used as program housing space under annual operating leases. Total rent expense under these leases for June 30, 2018 and 2017 were \$219,135 and \$136,602.

**HOMEAGAIN AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**  
**(CONTINUED)**

**Note 5: 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 SunTrust. Checking and money market account balances are insured by the FDIC and at times balances may exceed FDIC limits.

**Note 6: 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 2018 and 2017.

**Note 7: Fair Value Measurements**

Fair values of assets measured on a recurring basis at June 30, 2018 and 2017 are as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value of Assets
<u>June 30, 2018</u>		
FDIC Insured Deposits	\$ 120,788	\$ 120,788
Equity Securities	48,658	48,658
	<u>\$ 169,446</u>	<u>\$ 169,446</u>
<u>June 30, 2017</u>		
FDIC Insured Deposits	\$ 118,970	\$ 118,970
Equity Securities	52,567	52,567
	<u>\$ 171,537</u>	<u>\$ 171,537</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, 2018 AND JUNE 30, 2017**  
**(CONTINUED)**

**Note 8: Long-Term Debt**

Long-term debt consists of a fifteen year mortgage note with the Virginia Housing Development Authority (VHDA). The note is payable in monthly installments of \$999, including interest at 4%. The note matures in 2019 and is collateralized by the real estate for the men's shelter. The balance as of June 30, 2018 and 2017 was \$10,768 and \$22,074 respectively. Payments of principal for the next year is as follows:

2019	\$ 10,768
Total	\$ 10,768

**Note 9: 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, 2018 and 2017 are as follows:

	Permanently Restricted
Endowment Net Assets June 30, 2016	\$ 160,140
Contributions	9,000
Net Appreciation	2,397
Endowment Net Assets June 30, 2017	171,537
Contributions	-
Net Appreciation	(2,091)
Endowment Net Assets June 30, 2018	\$ 169,446

**HOMEAGAIN AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**  
**(CONTINUED)**

**Note 10: 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 2017:

Balance 6/30/2016	Earned	Used	Balance 6/30/2017
\$ 11,531	44,160	37,370	\$ 18,321
Balance 6/30/2017	Earned	Used	Balance 6/30/2018
\$ 18,321	45,292	49,714	\$ 13,899

**Note 11: Temporarily Restricted Net Assets**

Temporarily restricted net assets as of June 30, 2018 consisted of \$5,419 for the benefit of children sheltered by the Organization and \$30,000 of promises to give.

Temporarily restricted net assets as of June 30, 2017 consisted of \$10,379 for the benefit of children sheltered by the Organization and \$42,715 of promises to give.



**SUPPLEMENTAL INFORMATION**

**HOMEAGAIN AND SUBSIDIARY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018**

Schedule of Expenditures of Federal Awards

	<u>Federal CFDA Number</u>	<u>Pass- Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b><u>Department of Housing and Urban Development</u></b>			
Rapid Rehousing	14.235*		\$ 289,743
Permanent Supportive Housing Program	14.235*		<u>334,776</u>
			<u>624,519</u>
<u>Pass-Through from City of Richmond:</u> Emergency Solutions Grant Program	14.231	N/A	190,293
<u>Pass-Through from VA Dept of Housing and Community Development (VHSP Grant)</u>			
Emergency Solutions Grant Program	14.231	N/A	<u>46,955</u>
			<u>237,248</u>
Total U.S. Department of Housing and Urban Development			<u>861,767</u>
<b><u>U.S. Department of Veterans Affairs</u></b>			
Homeless Veterans Reintegration Project and Per Diem Program	64.024		<u>349,844</u>
			<u>349,844</u>
<b><u>U.S. Department Of Agriculture</u></b>			
Child and Adult Care Food Program	10.558		<u>6,778</u>
			<u>6,778</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u><u>\$ 1,218,389</u></u>

\* Denotes a Major Program

**HOMEAGAIN AND SUBSIDIARY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(CONTINUED)**

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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, 2018. 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, 2018**

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There were no prior year audit findings

**HOMEAGAIN AND SUBSIDIARY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2018**

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, 2018**

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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, 2018 and June 30, 2017, 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 October 23, 2018.

**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.

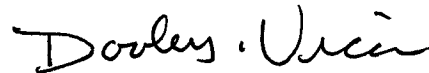
**Compliance and Other Matters**

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

October 23, 2018





**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, 2018. 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, 2018.

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

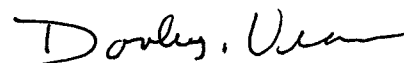
**Report on Internal Control over Compliance**

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

October 23, 2018