

OF HOME FAMILY AND FUTURE INC.

Financial Statements
Years Ended
December 31, 2021 and 2020

OF HOME, FAMILY AND FUTURE, INC.

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December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Of Home, Family & Future, Inc.

Opinion

We have audited the accompanying financial statements of Of Home, Family & Future, Inc. (a NY corporation), which comprise the statements of financial position as of December 31, 2021, and 2020, 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 Of Home, Family & Future, Inc. as of December 31, 2021, and 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Of Home, Family & Future, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Of Home, Family & Future, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 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 Of Home, Family & Future Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Of Home, Family & Future, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Berard & Associates CPA's P.C.

Berard & Associates, CPA's P.C.
Suffern, New York 10901
April 22, 2022

OF HOME, FAMILY AND FUTURE, INC.

Statements of Financial Position

December 31, 2021 and 2020

ASSETS	<u>2021</u>	<u>2020</u>
Cash	\$ 151,203	\$ 157,134
Investments	947,706	1,039,268
Prepaid expenses	<u>2,796</u>	<u>2,796</u>
 Total assets	 <u><u>\$ 1,101,705</u></u>	 <u><u>\$ 1,199,198</u></u>
 LIABILITIES AND NET ASSETS		
Accrued expenses	<u>\$ 6,073</u>	<u>\$ 5,555</u>
Total current liabilities	<u>6,073</u>	<u>5,555</u>
 Net assets:		
Without donor restrictions	1,085,277	1,183,643
With donor restrictions	<u>10,355</u>	<u>10,000</u>
 Total net assets	<u>1,095,632</u>	<u>1,193,643</u>
 Total liabilities and net assets	 <u><u>\$ 1,101,705</u></u>	 <u><u>\$ 1,199,198</u></u>

See notes to financial statements.

OF HOME, FAMILY AND FUTURE, INC.
 Statements of Activities
 Years Ended December 31, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES						
Contribution income	\$ 152,028	\$ 19,300	\$ 171,328	\$ 159,765	\$ 11,250	\$ 171,015
In-Kind Revenue	1,500	-	1,500	-	-	-
Net assets released from restrictions	18,945	(18,945)	-	11,250	(11,250)	-
Total operating revenues	172,473	355	172,828	171,015	-	171,015
EXPENSES						
Program Services	223,546	-	223,546	228,045	-	228,045
Management and General	32,781	-	32,781	32,342	-	32,342
Fundraising	13,506	-	13,506	13,283	-	13,283
Total expenses	269,833	-	269,833	273,670	-	273,670
Change in operating activities	(97,360)	355	(97,005)	(102,655)	-	(102,655)
NONOPERATING REVENUES						
Net investment return	(1,559)	-	(1,559)	19,078	-	19,078
Miscellaneous	553	-	553	164	-	164
Total revenue	(1,006)	-	(1,006)	19,242	-	19,242
Change in net assets	(98,366)	355	(98,011)	(83,413)	-	(83,413)
Net assets, beginning	1,183,643	10,000	1,193,643	1,267,056	10,000	1,277,056
Net assets, ending	1,085,277	10,355	1,095,632	\$ 1,183,643	\$ 10,000	\$ 1,193,643

See notes to financial statements.

OF HOME, FAMILY AND FUTURE, INC.
 Statements of Functional Expenses
 Years Ended December 31, 2021 and 2020

	2021				2020			
	Program Services	Management and General	Fund Raising	Total Expenses	Program Services	Management and General	Fund Raising	Total Expenses
Salaries	\$ 82,500	\$ 16,500	\$ 11,000	\$ 110,000	\$ 86,250	\$ 17,250	\$11,500	\$ 115,000
Consultants	30,251	-	-	30,251	42,500	-	-	42,500
Payroll taxes and benefits	6,926	1,385	923	9,234	7,433	1,486	990	9,909
Grant expense	37,606	-	-	37,606	43,906	-	-	43,906
Tuition	62,458	-	-	62,458	46,645	-	-	46,645
Office expenses	1,585	-	-	1,585	1,311	-	-	1,311
Accounting	-	9,100	-	9,100	-	8,400	-	8,400
Information technology	720	-	-	720	-	-	-	-
Fundraising	-	-	1,583	1,583	-	-	793	793
In Kind Services	1,500	-	-	1,500	-	-	-	-
Bank charges	-	764	-	764	-	658	-	658
Payroll service fees	-	1,110	-	1,110	-	1,080	-	1,080
Insurance	-	3,236	-	3,236	-	2,976	-	2,976
Board expenses	-	411	-	411	-	217	-	217
Filing fees	-	275	-	275	-	275	-	275
Total	\$ 223,546	\$ 32,781	\$ 13,506	\$ 269,833	\$ 228,045	\$ 32,342	\$13,283	\$ 273,670

See notes to financial statements.

OF HOME, FAMILY AND FUTURE, INC.
 Statements of Cash Flows
 Years Ended December 31, 2021 and 2020

CASH FLOWS FROM OPERATING ACTIVITIES:	<u>2021</u>	<u>2020</u>
(Decrease) in net assets	\$ (98,011)	\$ (83,413)
Adjustments to reconcile change in net assets to net assets to net cash provided (used) for operating activities:		
Unrealized (loss) gain on investments	(1,559)	19,078
Changes in operating assets and liabilities:		
(Increase) in prepaid expenses	-	(839)
Increase in accrued expenses	518	891
	<u>(99,052)</u>	<u>(64,283)</u>
Net cash (used) by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale of investments	93,121	61,848
Net cash provided by investing activities	<u>93,121</u>	<u>61,848</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	<u>-</u>	<u>-</u>
(Decrease) in cash	(5,931)	(2,435)
Cash- beginning of year	<u>157,134</u>	<u>159,569</u>
Cash- end of year	<u>\$ 151,203</u>	<u>\$ 157,134</u>
Supplemental Information:		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Non-Cash transactions		
In-Kind Activity	<u>\$ 1,500</u>	<u>\$ -</u>

See notes to financial statements.

OF HOME, FAMILY AND FUTURE, INC.

Notes to Financial Statements

December 31, 2021 and 2020

NOTE 1 – ORGANIZATION AND PURPOSE

Of Home Family and Future, Inc. (OHFF), is a non-profit corporation organized in November 2004, for the purpose of providing funds for individuals who have shown the potential to become successful members of society but lack the resources to overcome poverty or abuse. One hundred percent of its revenue is from public support.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S generally accepted accounting principles (US GAAP), which require OHFF to report information regarding its financial position and activities according to the following net asset classifications, with or without donor restrictions.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates those resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

It is the policy of The Organization to account for donor restricted funds, which are received and expended in the same year to be recorded as unrestricted.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$1,000. Purchase of property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets.

Revenue Recognition

Revenue is recognized when earned. Contributions are recognized when cash, or other assets, an unconditional promise to give or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Costs incurred prior to the close of the fiscal year for such programs are classified as prepaid expenses.

OF HOME, FAMILY AND FUTURE, INC.

Notes to Financial Statements

December 31, 2021 and 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -Continued

Donated Services

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. For the year ended December 31, 2021 donated services of \$1,500 consist of an update to the Organization's website.

Allocation of Expenses

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

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c) (3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the code. OHFF has processes presently in place to ensure the maintenance of its tax-exempt status: to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. OHFF has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position, Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Contributions

Contributions received are recorded as with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose unless specifically restricted by the donor.

NOTE 3-PROGRAMS

Of Home Family and Future, Inc.'s mission is to make a profound difference in the lives of highly motivated and qualified people who possess the desire and drive to succeed but lack the opportunity and resources. Of Home Family and Future, Inc. seeks to accomplish this goal by awarding grants to help women and children, affected by domestic violence, to create strong and economically independent families in affordable housing. Grants are also awarded for other services such as, childcare, job training, career and financial counseling. In addition, there is an educational mentoring program which awards grants and provides mentors to students from the foster care systems who are attending post-secondary education.

OF HOME, FAMILY AND FUTURE, INC.

Notes to Financial Statements

December 31, 2021 and 2020

NOTE 4- INVESTMENTS AND FAIR VALUE MEASUREMENTS

Generally accepted accounting principles provide a framework for measuring fair value. The framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

At December 31, 2021 and 2020, the Organization's investments consisted of publicly traded securities totaling \$947,706 and \$1,039,268. Investments are reported at fair value using a Level 1 measure as summarized below:

	<u>2021</u>	<u>2020</u>
Cash	\$ 676,777	\$ 686,703
Certificates of Deposit	<u>270,929</u>	<u>352,565</u>
Total investments	<u>\$ 947,706</u>	<u>\$ 1,039,268</u>

Net investment return for the years ended December 31, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Interest Income	\$ 10,074	\$ 16,864
Unrealized Gain (Loss)	<u>(11,633)</u>	<u>2,214</u>
Net investment return	<u>\$ (1,559)</u>	<u>\$ 19,078</u>

NOTE 5 DONOR RESTRICTED CONTRIBUTION

Donor restricted net assets consist of the following at December 31, 2021:

	<u>12/31/20</u>	<u>Sources</u>	<u>Uses</u>	<u>12/31/21</u>
Highwind Impact Fund	\$ -	\$ 2,800	(\$ 1,195)	\$ 1,605
Pam Parker	-	250	-	250
Benjamin Josephson	-	250	-	250
Marc Barrachin	-	250	-	250
Montieth Illingworth	<u>10,000</u>	<u>10,000</u>	<u>(12,000)</u>	<u>8,000</u>
Total	<u>\$10,000</u>	<u>\$13,550</u>	<u>(\$13,195)</u>	<u>\$10,355</u>

Donor restricted net assets consist of the following at December 31, 2020:

	<u>12/31/19</u>	<u>Sources</u>	<u>Uses</u>	<u>12/31/20</u>
Montieth Illingworth	<u>\$10,000</u>	<u>\$10,000</u>	<u>(\$10,000)</u>	<u>\$10,000</u>
Total	<u>\$10,000</u>	<u>\$10,000</u>	<u>(\$10,000)</u>	<u>\$10,000</u>

OF HOME, FAMILY AND FUTURE, INC.

Notes to Financial Statements

December 31, 2021 and 2020

NOTE 5- DONOR RESTRICTED CONTRIBUTION-Continued

The balance of \$10,355 and \$10,000 for the years ended December 31, 2021 and 2020, respectively represents monies restricted for the Transformation Squared program.

NOTE 6- CONCENTRATIONS OF CREDIT RISK

Of Home, Family and Future, Inc. maintains its cash balances in a financial institution located in New York, New York. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021 and 2020 respectively, the Organization's cash balances did not exceed the FDIC limit.

NOTE 7 - CORONAVIRUS, AID, RELIEF AND ECONOMIC SECURITY ACT (CARES Act)

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. The Governor of New York State subsequently closed all non-essential businesses and instituted rules for social distancing. Of Home, Family and Future, Inc. remained fully operational throughout the pandemic, but Of Home, Family and Future, Inc.'s operations had to be restructured to address social distancing, sanitation and other safety measures. Of Home, Family and Future, Inc. continues to comply with CDC and state guidelines relating to its operations. The impact of COVID on its 2022 financials is as yet unknown. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 8- LIQUIDITY AND AVAILABILITY OF RESOURCES

Of Home, Family and Future, Inc.'s financial assets available within one year of the statements of financial position date for general expenditure are as follows:

	<u>2021</u>	<u>2020</u>
Financial Assets:		
Cash and cash equivalents	\$ 151,496	\$ 157,934
Investments	<u>947,706</u>	<u>1,039,268</u>
Financial assets, at year-end	1,099,202	1,197,202
Less:		
Donor-imposed restrictions:		
Restricted for 2021-2022 programs	(10,335)	-
Restricted for 2020-2021 programs	<u>-</u>	<u>(10,000)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 1,088,867</u>	<u>\$ 1,187,202</u>

Of Home, Family and Future, Inc. regularly monitor its cash flow and liquidity needs through budgets and monthly financial reporting and analysis. In the event of unanticipated liquidity needs the Of Home, Family and Future, Inc tries to maintain three months of expenses in cash. In addition, as stated in Note 5 Of Home, Family & Future, Inc. invest cash in excess of daily requirements in CD's.

OF HOME, FAMILY AND FUTURE, INC.

Notes to Financial Statements

December 31, 2021 and 2020

NOTE 9- SUBSEQUENT EVENTS

Due to the COVID-19 pandemic capacity limitations on social distancing, OHFF continues to comply with CDC guidelines and New York state regulations for social distancing and other safety precautions. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

On April 27, 2022, OHFF applied for the Employee Retention Credit of \$14,000 for the second and third quarters of 2021. This amount is not reflected in the financial statements for the year ended December 31, 2021 but will be reflected on the Statements of Financial Position as a receivable and Statements of Activity as income once it is received.

Subsequent events were evaluated by management through April 22, 2022, which is the date the financial statements were available to be issued and determined that there were no such events requiring recognition or disclosure in the financial statements.