

One House at a Time. Inc.



2018

One House at a Time, Inc.

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For the Year Ended December 31, 2018

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees of
One House at a Time

We have reviewed the accompanying financial statements of One House at a Time (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

Accountant's Conclusion

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



Conshohocken, Pennsylvania
July 31, 2019

(1)

One House at a Time

Statement of Financial Position
as of December 31, 2018 and 2017

Assets

| | 2018 | 2017 |
|--------------------------------|-------------------|-------------------|
| <i>Current assets</i> | | |
| Cash | \$ 196,261 | \$ 210,756 |
| Accounts receivable | 35,150 | 14,044 |
| Inventory | 38,335 | \$ 10,413 |
| Prepaid Expenses | 8,076 | 33,617 |
| | <hr/> | <hr/> |
| Total current assets | 277,822 | 268,830 |
| <i>Property and equipment</i> | 23,793 | 23,793 |
| Less: accumulated depreciation | 23,793 | 23,793 |
| | <hr/> | <hr/> |
| Net property and equipment | - | - |
| | <hr/> | <hr/> |
| <i>Total assets</i> | <u>\$ 277,822</u> | <u>\$ 268,830</u> |

Liabilities and Net Assets

| | | |
|-----------------------------------------|-------------------|-------------------|
| <i>Current liabilities</i> | | |
| Accrued salaries and payroll taxes | \$ 8,038 | \$ - |
| Accrued expenses | 130 | 221 |
| | <hr/> | <hr/> |
| Unearned revenue | 3,115 | 788 |
| | <hr/> | <hr/> |
| Total current liabilities | \$ 11,283 | \$ 1,009 |
| <i>Net assets</i> | | |
| Without donor restrictions | 208,039 | 236,188 |
| With donor restrictions | 58,500 | 31,633 |
| | <hr/> | <hr/> |
| Total net assets | 266,539 | 267,821 |
| | <hr/> | <hr/> |
| <i>Total liabilities and net assets</i> | <u>\$ 277,822</u> | <u>\$ 268,830</u> |

The accompanying notes are a part of the financial statements.

See accountants' review report.

One House at a Time

Statement of Activities and Change in Net Assets
For the Years ended December 31, 2018 and 2017

| | Without Donor Restrictions | With Donor Restrictions | Restricted and Unrestricted 2018 | Restricted and Unrestricted 2017 |
|----------------------------------------------------------|-------------------------------|----------------------------|-------------------------------------------|-------------------------------------------|
| <i>Operation Activities:</i> | | | | |
| Contributions | \$ 86,867 | \$ 11,032 | \$ 97,899 | \$ 71,605 |
| Donated services | 5,800 | - | 5,800 | 11,600 |
| Program service fees | 156,743 | - | 156,743 | 129,772 |
| Fundraising events | 1,200 | - | 1,200 | 600 |
| Grants | 2,500 | 108,000 | 110,500 | 140,263 |
| <i>Total revenue and support before releases</i> | 253,110 | 119,032 | 372,142 | 353,840 |
| Net assets released from restrictions | 92,165 | (92,165) | - | - |
| <i>Total public support and revenue</i> | 345,275 | 26,867 | 372,142 | 353,840 |
| <i>Expenses</i> | | | | |
| Program services | 320,960 | - | 320,960 | 217,649 |
| Fundraising expenses | 24,328 | - | 24,328 | 18,792 |
| General and administrative | 28,300 | - | 28,300 | 21,024 |
| <i>Total expenses</i> | 373,588 | - | 373,588 | 257,465 |
| <i>Change in net assets from operating activities</i> | (28,313) | 26,867 | (1,446) | 96,375 |
| <i>Nonoperating Activities:</i> | | | | |
| Interest Income | 164 | - | 164 | 978 |
| <i>Change in net assets from nonoperating activities</i> | 164 | - | 164 | 978 |
| <i>Change in net assets</i> | (28,149) | 26,867 | (1,282) | 97,353 |
| <i>Net assets at the beginning of the year</i> | 236,188 | 31,633 | 267,821 | 170,468 |
| <i>Net assets at the end of the year</i> | \$ 208,039 | \$ 58,500 | \$ 266,539 | \$ 267,821 |

The accompanying notes are a part of the financial statements.

See accountants' review report.

One House at a Time

Statement of Functional Expenses
For the Year ended December 31, 2018

| | Program Activities | General and Administrative | Fundraising | Total Expenses 2018 |
|-----------------------------------|-----------------------|-------------------------------|------------------|---------------------------|
| <i>Payroll expenses</i> | | | | |
| Salaries | \$ 114,627 | \$ 18,503 | \$ 18,503 | \$ 151,633 |
| Payroll taxes | 11,206 | 1,974 | 1,974 | 15,154 |
| Total payroll expenses | 125,833 | 20,477 | 20,477 | 166,787 |
| <i>Other expenses</i> | | | | |
| Assistance - beds and furnishings | 143,522 | - | - | 143,522 |
| Occupancy | 37,700 | - | - | 37,700 |
| Truck insurance and registration | 5,063 | - | - | 5,063 |
| Professional Fees | - | 4,439 | - | 4,439 |
| Office supplies | 2,008 | 1,003 | 1,003 | 4,014 |
| Truck expenses | 3,716 | - | - | 3,716 |
| Liability insurance | 3,118 | - | - | 3,118 |
| Fundraising expense | - | - | 2,847 | 2,847 |
| Miscellaneous expense | - | 1,481 | - | 1,481 |
| Director's and officers insurance | - | 900 | - | 900 |
| Total other expenses | 195,127 | 7,823 | 3,851 | 206,801 |
| <i>Total expenses</i> | <u>\$ 320,960</u> | <u>\$ 28,300</u> | <u>\$ 24,328</u> | <u>\$ 373,588</u> |

*The accompanying notes are a part of the financial statements.
See accountants' review report.*

One House at a Time

Statement of Cash Flows
For the Years ended December 31, 2018 and 2017

| | 2018 | 2017 |
|--------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Cash flows from operating activities | | |
| Change in net assets | (1,282) | 97,353 |
| Adjustments to reconcile increase in net assets to net cash provided by operating activities: | | |
| (Increase) decrease in: | | |
| Accounts receivable | (21,106) | (2,154) |
| Inventory | (27,922) | (2,416) |
| Prepaid Expenses | 25,541 | (30,867) |
| Increase (decrease) in: | | |
| Accrued Salaries and Payroll Taxes | 8,038 | (9,487) |
| Accrued Expenses | (91) | 221 |
| Unearned Revenue | 2,327 | (13,953) |
| Total adjustments | <u>(13,213)</u> | <u>(58,656)</u> |
| Net cash provided by operating activities | (14,495) | 38,697 |
| Cash flows from investing activities | - | - |
| Net cash provided (used) by investing activities | - | - |
| Cash flows from financing activities | - | - |
| Net cash provided (used) by financing activities | - | - |
| Net increase (decrease) in cash and cash equivalents | <u>(14,495)</u> | <u>38,697</u> |
| Beginning cash and cash equivalents | <u>210,756</u> | <u>172,059</u> |
| ENDING CASH AND CASH EQUIVALENTS | <u><u>196,261</u></u> | <u><u>210,756</u></u> |

*The accompanying notes are a part of the financial statements.
See accountants' review report.*

One House at a Time, Inc.

Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE A – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

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

Basis of Accounting

One House at a Time's financial statements are prepared using the accrual method of accounting.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

Property and Equipment

The Organization capitalizes property and equipment over \$1,000. Less amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose.

NOTE A – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment (continued)

Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five years for furniture and vehicles to thirty years of buildings.

Contributed Services

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization in providing beds to the bedless.

Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Income Tax Status

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cost Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function.

One House at a Time, Inc.

Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE A – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Cost Allocation (continued)

Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as office supplies.

NOTE B – Restrictions on Net Assets

| | Donor Restricted 2018 | Donor Restricted 2017 |
|---------------------------------------------------------|-----------------------------|-----------------------------|
| <i>Support</i> | | |
| Donations - Corporate | \$ - | \$ - |
| Donations - Individuals | 11,032 | 12,814 |
| Grants | <u>108,000</u> | <u>129,300</u> |
| Total net assets with donor restrictions | 119,032 | 142,114 |
| Net Assets released from donor restrictions | <u>(92,165)</u> | <u>(121,451)</u> |
| <i>Net Change in donor restricted net assets</i> | 26,867 | 20,663 |
| <i>Donor restricted net assets at beginning of year</i> | <u>31,633</u> | <u>10,970</u> |
| <i>Donor restricted net assets at end of year</i> | <u>\$ 58,500</u> | <u>\$ 31,633</u> |

One House at a Time, Inc.

Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE C – Evaluation of Subsequent Events

The Organization has evaluated subsequent events through July 31, 2019 the date which the financial statements were available to be issued.