# HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

Columbus, Ohio

Consolidated Financial Statements,
Schedule of Expenditures of Federal Awards and
Related Independent Auditor's Reports
In Accordance With Government
Auditing Standards and Uniform Guidance

For the years ended June 30, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Huckleberry House, Inc. and Subsidiary
Columbus, Ohio

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements (financial statements) of Huckleberry House, Inc. and Subsidiary (Organization), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 the Organization 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 opinions.

**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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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**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 and *Government 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 and *Government 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 the Organization'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 the Organization'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.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The key financial performance indicators, as required by the Franklin County Alcohol, Drug Addiction and Mental Health Services Board, the accompanying consolidating information and the accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the key financial performance indicators, the accompanying consolidating information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the 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 November 21, 2022, in our consideration of the Organization'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 solely 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 effectiveness of the Organization's 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 the Organization's internal control over financial reporting and compliance.

Schneider Downs & Co., Inc.

Columbus, Ohio
November 21, 2022

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| | June 30 | |
|---|---|---|
| | 2022 | 2021 |
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | $ 1,297,408 | $ 1,395,177 |
| Restricted cash - security deposits | 47,668 | 30,868 |
| Accounts receivable | 314,275 | 416,585 |
| Other current assets | 56,614 | 64,103 |
| Total Current Assets | 1,715,965 | 1,906,733 |
| PROPERTY AND EQUIPMENT, NET | 1,767,609 | 1,829,335 |
| MARKETABLE SECURITIES | 1,233,244 | 1,313,759 |
| Total Assets | $ 4,716,818 | $ 5,049,827 |
| **LIABILITIES AND NET ASSETS** | | |
| CURRENT LIABILITIES | | |
| Accounts payable | $ 151,683 | $ 84,124 |
| Accrued payroll and related liabilities | 216,721 | 192,546 |
| Security deposits payable | 47,668 | 30,868 |
| Notes payable | 120,528 | 122,327 |
| Total Current Liabilities | 536,600 | 429,865 |
| NOTES PAYABLE | 619,083 | 1,248,141 |
| Total Liabilities | 1,155,683 | 1,678,006 |
| NET ASSETS | | |
| Without donor restrictions: | | |
| Board-designated | 1,024,700 | 1,123,045 |
| Undesignated | 2,104,208 | 1,798,882 |
| With donor restrictions | 432,227 | 449,894 |
| Total Net Assets | 3,561,135 | 3,371,821 |
| Total Liabilities And Net Assets | $ 4,716,818 | $ 5,049,827 |

See notes to consolidated financial statements.

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HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

| | 2022 | | |
|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| PUBLIC SUPPORT AND PROGRAM REVENUES | | | |
| Programs and grants | $ 2,741,211 | - | $ 2,741,211 |
| United Way | 90,000 | - | 90,000 |
| Medicaid - Title XIX | 531,839 | - | 531,839 |
| Contributions | 316,828 | $ 45,000 | 361,828 |
| Rental and utilities income | 393,535 | - | 393,535 |
| Purchase of services and discretionary funding | 160,871 | - | 160,871 |
| Total Public Support And Program Revenues | 4,234,284 | 45,000 | 4,279,284 |
| OTHER REVENUES, SUPPORT, GAINS AND LOSSES | | | |
| Interest and dividend income | 46,274 | 11,854 | 58,128 |
| Special events, net of expenses of $13,075 and $16,603 for the years ended June 30, 2022 and 2021 | 92,002 | - | 92,002 |
| Realized/unrealized net (loss) gain on marketable securities | (133,606) | (39,065) | (172,671) |
| Paycheck Protection Program loan forgiveness | 513,452 | - | 513,452 |
| Total Other Revenues, Support, Gains And Losses | 518,122 | (27,211) | 490,911 |
| NET ASSETS RELEASED FROM RESTRICTION | 35,456 | (35,456) | - |
| Total Revenues And Support | 4,787,862 | (17,667) | 4,770,195 |
| EXPENSES | | | |
| Transitional living | 1,553,502 | - | 1,553,502 |
| Kenmore housing | 414,356 | - | 414,356 |
| Crisis shelter | 1,161,944 | - | 1,161,944 |
| Permanent supportive housing | 214,886 | - | 214,886 |
| Youth outreach | 366,058 | - | 366,058 |
| Family support | 352,105 | - | 352,105 |
| Scholarship | - | - | - |
| Fundraising | 55,262 | - | 55,262 |
| Administration | 462,768 | - | 462,768 |
| Total Expenses | 4,580,881 | - | 4,580,881 |
| Change In Net Assets | 206,981 | (17,667) | 189,314 |
| NET ASSETS | | | |
| Beginning of year | 2,921,927 | 449,894 | 3,371,821 |
| End of year | $ 3,128,908 | $ 432,227 | $ 3,561,135 |

| 2021 | | |
|---|---|---|
| Without Donor Restrictions | With Donor Restrictions | Total |
| $ 2,927,729 | - | $ 2,927,729 |
| 76,230 | - | 76,230 |
| 536,190 | - | 536,190 |
| 649,345 | $ 5,000 | 654,345 |
| 342,871 | - | 342,871 |
| 227,348 | - | 227,348 |
| 4,759,713 | 5,000 | 4,764,713 |
| 29,427 | 53,843 | 83,270 |
| 102,570 | - | 102,570 |
| 208,549 | 8,189 | 216,738 |
| 593,225 | - | 593,225 |
| 933,771 | 62,032 | 995,803 |
| 125,594 | (125,594) | - |
| 5,819,078 | (58,562) | 5,760,516 |
| 1,270,112 | - | 1,270,112 |
| 529,010 | - | 529,010 |
| 1,180,340 | - | 1,180,340 |
| 195,774 | - | 195,774 |
| 343,860 | - | 343,860 |
| 380,636 | - | 380,636 |
| 4,207 | - | 4,207 |
| 58,963 | - | 58,963 |
| 450,031 | - | 450,031 |
| 4,412,933 | - | 4,412,933 |
| 1,406,145 | (58,562) | 1,347,583 |
| 1,515,782 | 508,456 | 2,024,238 |
| $ 2,921,927 | $ 449,894 | $ 3,371,821 |

See notes to consolidated financial statements.

HUCKLEBERRY HOUSE, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

| | Transitional Living | Kenmore Housing | Crisis Shelter | Permanent Supportive Housing | Youth Outreach |
|---|---|---|---|---|---|
| Salaries and wages | $ 652,022 | $ 135,829 | $ 727,811 | $ 196,201 | $ 266,723 |
| Rent, utilities, food and activities | 560,442 | - | 65,008 | 9,458 | 11,858 |
| Occupancy | 34,566 | 55,058 | 86,773 | 750 | 10,834 |
| Payroll taxes and benefits | 150,271 | - | 145,585 | 4,850 | 45,060 |
| Depreciation | 40,245 | 109,095 | 36,914 | - | 10,925 |
| IT expenses | 49,844 | - | 26,756 | 596 | 7,050 |
| Professional fees | 2,177 | 833 | - | - | 108 |
| Equipment, furnishing, repair and maintenance | 8,596 | 57,525 | 13,174 | 400 | 2,211 |
| Insurance | 21,654 | 22,486 | 23,076 | 40 | 6,433 |
| Dues, licenses and payroll processing and other | 3,951 | 12,082 | 4,096 | - | 1,141 |
| Supplies and printing | 9,009 | 21,448 | 26,992 | 591 | 849 |
| Training and travel | 20,725 | - | 5,759 | 2,000 | 2,866 |
| Total Expenses | $ 1,553,502 | $ 414,356 | $ 1,161,944 | $ 214,886 | $ 366,058 |

| Family Support | Total Program Services | Fundraising | Administration | Total Expenses |
|---|---|---|---|---|
| $ 255,901 | $ 2,234,487 | $ 26,306 | $ 103,967 | $ 2,364,760 |
| 233 | 646,999 | 1,459 | 1,238 | 649,696 |
| 11,055 | 199,036 | 1,400 | 10,103 | 210,539 |
| 48,197 | 393,963 | 4,571 | 17,080 | 415,614 |
| 11,278 | 208,457 | 1,458 | 3,905 | 213,820 |
| 5,886 | 90,132 | 11,392 | 88,578 | 190,102 |
| 53 | 3,171 | - | 173,899 | 177,070 |
| | | | | |
| 3,562 | 85,468 | 579 | 2,129 | 88,176 |
| 6,950 | 80,639 | 919 | 5,536 | 87,094 |
| | | | | |
| 1,217 | 22,487 | 2,603 | 50,966 | 76,056 |
| 1,816 | 60,705 | 3,314 | 2,426 | 66,445 |
| 5,957 | 37,307 | 1,261 | 2,941 | 41,509 |
| | | | | |
| $ 352,105 | $ 4,062,851 | $ 55,262 | $ 462,768 | $ 4,580,881 |

See notes to consolidated financial statements.

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

| | Transitional Living | Kenmore Housing | Crisis Shelter | Permanent Supportive Housing | Youth Outreach |
|---|---|---|---|---|---|
| Salaries and wages | $ 625,147 | $ 81,838 | $ 784,510 | $ 181,642 | $ 264,304 |
| Rent, utilities, food and activities | 408,375 | - | 83,316 | 12,625 | 20,947 |
| Occupancy | 27,520 | 124,592 | 71,843 | - | 8,293 |
| Payroll taxes and benefits | 82,997 | - | 97,172 | - | 26,943 |
| Depreciation | 24,596 | 84,791 | 43,470 | - | 7,407 |
| IT expenses | 56,193 | - | 29,081 | - | 6,998 |
| Professional fees | 603 | 335 | 2,607 | - | 181 |
| Equipment, furnishing, repair and maintenance | 8,426 | 203,033 | 8,848 | - | 1,308 |
| Insurance | 12,673 | 21,089 | 23,381 | 132 | 3,764 |
| Dues, licenses and payroll processing and other | 2,951 | 13,165 | 2,825 | - | 1,317 |
| Supplies and printing | 10,401 | - | 25,230 | 1,375 | 2,017 |
| Training and travel | 10,230 | 167 | 8,057 | - | 381 |
| Scholarships | - | - | - | - | - |
| Total Expenses | $ 1,270,112 | $ 529,010 | $ 1,180,340 | $ 195,774 | $ 343,860 |

| Family Support | Scholarship | Total Program Services | Fundraising | Administration | Total Expenses |
|---|---|---|---|---|---|
| $ 276,062 | - | $ 2,213,503 | $ 18,488 | $ 138,730 | $ 2,370,721 |
| 7,259 | - | 532,522 | 6,575 | 6,980 | 546,077 |
| 20,609 | - | 252,857 | 4,901 | 15,678 | 273,436 |
| 32,917 | - | 240,029 | 6,818 | 23,409 | 270,256 |
| 14,898 | - | 175,162 | 4,666 | 9,583 | 189,411 |
| 8,233 | - | 100,505 | 7,602 | 72,144 | 180,251 |
| 365 | - | 4,091 | 114 | 98,881 | 103,086 |
| | | | | | |
| 4,886 | - | 226,501 | 823 | 4,994 | 232,318 |
| 7,390 | - | 68,429 | 2,682 | 7,346 | 78,457 |
| | | | | | |
| 857 | - | 21,115 | 2,706 | 56,151 | 79,972 |
| 1,551 | - | 40,574 | 3,555 | 11,049 | 55,178 |
| 5,609 | - | 24,444 | 33 | 5,086 | 29,563 |
| - | $ 4,207 | 4,207 | - | - | 4,207 |
| | | | | | |
| $ 380,636 | $ 4,207 | $ 3,903,939 | $ 58,963 | $ 450,031 | $ 4,412,933 |

See notes to consolidated financial statements.

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

## CONSOLIDATED STATEMENTS OF CASH FLOWS
## FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

| | June 30 | |
|---|---|---|
| | 2022 | 2021 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | $ 189,314 | $ 1,347,583 |
| Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities: | | |
| Depreciation | 213,820 | 189,411 |
| Realized/unrealized investment loss (gain), net | 114,543 | (300,008) |
| Forgiveness received on Payroll Protection Program loan | (513,452) | (593,225) |
| Changes in assets and liabilities: | | |
| Accounts receivable | 102,310 | (60,611) |
| Other current assets | 7,489 | (18,307) |
| Accounts payable | 67,559 | (35,545) |
| Accrued payroll and related liabilities | 24,175 | (5,009) |
| Security deposits payable | 16,800 | 6,360 |
| Net Cash And Cash Equivalents Provided By Operating Activities | 222,558 | 530,649 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of property and equipment | (152,094) | (270,580) |
| (Purchases) Sales of marketable securities, net | (34,028) | 16,524 |
| Net Cash And Cash Equivalents Used In Investing Activities | (186,122) | (254,056) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from Paycheck Protection Program loan | - | 513,452 |
| Payments on notes payable | (117,405) | (124,806) |
| Net Cash And Cash Equivalents (Used In) Provided By Financing Activities | (117,405) | 388,646 |
| Net (Decrease) Increase In Cash, Cash Equivalents And Restricted Cash | (80,969) | 665,239 |
| CASH, CASH EQUIVALENTS AND RESTRICTED CASH | | |
| Beginning of year | 1,426,045 | 760,806 |
| End of year | $ 1,345,076 | $ 1,426,045 |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash paid during the year for: | | |
| Interest | $ 11,178 | $ 12,016 |

See notes to consolidated financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
# JUNE 30, 2022 AND 2021

## NOTE 1 - ORGANIZATION

Huckleberry House, Inc. (Huckleberry House or the Organization) a nonprofit entity, operates a system of community/home-based and facility-based service for youth ages 12 to 24, and their families. The most visible service is a 24-hour crisis shelter for teens a few miles from the geographic center of Columbus, Ohio. Other services include a transitional housing services for 18-24 year olds which include a combination of housing and support services; a community based outreach program; and comprehensive counseling services in community/home-based settings and in Huckleberry House facilities.

In 2020, Huckleberry House formed Kenmore Youth Housing, LLC (Kenmore) to acquire and operate a 56-unit apartment community in Columbus, Ohio, with the intent of using it to house a portion of its Transitional Living Program. Surplus units are master leased to organizations that offer housing programs to 17- to 24-year-olds. Youth staying at the Kenmore Square facility will be housed for up to 18 months and given access to therapy and other support services.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying consolidated financial statements (financial statements) follows:

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Accordingly, actual results could differ from those estimates.

Principles of Consolidation - The financial statements include the accounts of Huckleberry House and its subsidiary, Kenmore, collectively referred to as the Organization. All inter-organization account balances and transactions were eliminated upon consolidation.

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

> Net Assets Without Donor Restrictions - Net assets that are free of donor-imposed restrictions; all revenues, expenses, gains and losses that are not changes in net assets with donor restrictions.
>
> Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions that may or will be met, either by the actions of the Organization or the passage of time. Donor-imposed restrictions that are met in the same year in which the revenue is received are immediately classified as without donor restrictions in the statements of activities. Other net assets are subject to donor-imposed restrictions which the Organization treats as perpetual in nature. See Note 8 and Note 10. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents - Cash and cash equivalents include cash on hand, demand deposits held by financial institutions, and all highly liquid investments with original maturities of three months or less. The Organization maintains cash deposits in one financial institution that may exceed federally insured amounts at times. The Organization believes it has placed these accounts with a high-credit quality financial institution and does not believe it is exposed to any significant credit risk.

Restricted Cash - As of June 30, 2022 and 2021, $47,668 and $30,868, respectively, of cash was committed to rental deposits in connection with lease agreements related to Kenmore. These deposits are held until the end of the lease term, at which point they are due to be returned to the tenants.

Accounts Receivable - For certain grants, contracts and program services, accounts receivable and revenues are recorded when earned either in the month that services are provided, on a pro rata basis over the life of the contract, or through expenditure in accordance with the agreement. The Organization utilizes the allowance method in providing for the possibility of uncollectible accounts. An allowance is recorded based on management's estimate to collect accounts receivable as of year-end. Management also periodically reviews specific accounts receivable balances. To the extent that management determines that a specific account will more than likely not be collected, an allowance is recorded when such determination is made. As of June 30, 2022 and 2021, management estimated that all receivables were collectible, thus no allowance for uncollectible accounts was recorded. Delayed collection of accounts receivable from governmental and nongovernmental funding sources may be considered past due, however no interest is charged.

Property and Equipment - Property and equipment are generally recorded at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the related assets. Buildings and improvements are depreciated or amortized over 10 to 25 years. Furniture, fixtures, equipment and vehicles are depreciated over five to seven years. Major improvements and betterments are capitalized and depreciated; maintenance and repairs that do not improve or extend the life of the respective assets are charged to expense as incurred. The carrying amounts of assets sold, retired or otherwise disposed of and the related allowances for depreciation are eliminated from the accounts, and any resulting gain or loss is included in the statements of activities and change in net assets.

Impairment of Assets - The carrying value of long-lived assets is reviewed for impairment whenever events or changes in circumstances indicate the amount of the assets may not be recoverable. When an indication of impairment is present and the undiscounted cash flows estimated to be generated by the related assets are less than the assets' carrying amount, an impairment loss is recorded based on the difference between the carrying amount of the assets and their estimated fair value. No impairment was recorded for the years ended June 30, 2022 and 2021.

Marketable Securities - The Organization's investments consist of mutual funds invested in bonds and equities and are reported at fair value in the statements of financial position based on quoted market values. Realized and unrealized gains and losses are included in the statements of activities and change in net assets. Investment income and gains and losses are reported as without donor restrictions unless a donor restricts their use. Marketable securities are exposed to various risks such as interest rate, market and credit risks. Accordingly, changes in the value of marketable securities will occur in the near term, which could be material.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements - U.S. GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

Level 1: Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.

Level 2: Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3: Significant unobservable inputs for the asset or liability.

The level for the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021.

*Mutual Funds*: Valued at the daily closing price as reported on the active market on which the individual securities are traded. Mutual funds held are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held are deemed to be actively traded (Level 1 inputs).

The methods of valuation might produce a fair value calculation that might not be indicative of net realizable value or reflective of future fair values. Further, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Revenue Recognition -The Organization has contracts with federal, state, county and local sources. It receives a majority of funds from the Alcohol, Drug Addiction and Mental Health Board of Franklin County (ADAMH) and the United States Department of Housing and Urban Development (HUD), which is included in program and grants on the consolidated statement of activities and change in net assets, and from the State of Ohio, including Title XIX (Medicaid). Claims income from various sources is recognized as revenue when corresponding services are provided and is shown net of refunds and rate adjustments. In addition, the Organization has programs with Franklin County Children Services and the Ohio Department of Education for which revenue is recognized when services are performed. These revenues are included in purchase of services and discretionary funding on the consolidated statement of activities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certain grants and other funding are classified as contributions. Unconditional contributions are recorded in the year the commitment or payment is first received. Contributions are recorded as support with or without donor restrictions depending on the nature of any donor or time restrictions. In addition, the Organization holds special events throughout the year that are considered exchange transactions and revenue is recognized over the course of the event.

All unconditional contributions expected to be collected in future years are recorded at the present value of estimated future cash flows. Revenue is recognized in the year the unconditional contribution was made. Conditional contributions are not recognized until conditions are substantially met or removed. Huckleberry House had $777,697 and $695,513 in conditional grants as of June 30, 2022 and 2021, respectively. These conditions require that Huckleberry House incur eligible expenditures in accordance with the grant agreements over the course of the remaining grant period to be entitled to receive the funding.

Donated Materials and Services - Donated services are recognized as contributions only if the services create or enhance nonfinancial assets or require specialized skills that are performed by people with those skills and would otherwise be purchased by the Organization. The Organization recognized approximately $1,000 and $92,000 during the years ended June 30, 2022 and 2021, respectively, of in-kind contribution revenue and related expenses or assets for donated materials, supplies and services received.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Specific expenses that are readily identifiable to a particular program or supporting service are charged directly to that function, including salaries and wages. Certain categories of expense are attributable to more than one function, therefore these expenses require allocation on a reasonable basis that is consistently applied. All expenses, except for those charged directly to programs, are allocated on the basis of fulltime equivalents, which is consistently applied.

Income Taxes - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has not identified any material uncertain tax positions requiring an accrual or disclosure in the financial statements. There was no interest or penalties recognized in the statements of activities and change in net assets for the years ended June 30, 2022 and 2021 related to uncertain tax positions. The Organization is no longer subject to U.S. federal examinations for years prior to 2018. Kenmore is a disregarded entity for income tax purposes.

Recently Adopted Accounting Pronouncements - In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07 Not-for-Profit Entities (Topic 958) (ASU 2020-07), related to Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This ASU is intended to improve financial reporting by providing new presentation and disclosure requirements on contributed nonfinancial assets. The Organization will be required to create a separate line item on the statement of activities and change in net assets to include contributed nonfinancial items, separated from contributions of cash and other financial assets. Enhanced disclosures will include disaggregation of the amount of contributed nonfinancial assets recognized within the statement of activities and change in net assets by category that depicts the type of contributed nonfinancial asset and further information about each category of contributed nonfinancial asset recognized. ASU 2020-07 is effective for annual reporting periods beginning after June 15, 2021 and early application is permitted. The Organization adopted this standard in the current year with no material impact on its financial statements and related disclosures.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Upcoming Accounting Pronouncements - In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), under which lessees will be required to recognize a lease liability and right-of-use asset at the commencement date for all leases, with the exception of short-term leases. This guidance will be effective for the Organization beginning July 1, 2022. The Organization is currently evaluating the impact of adopting this accounting guidance on its financial statements.

Subsequent Events - Management has evaluated subsequent events through November 21, 2022, the date that financial statements were available to be issued. Subsequent events are defined as events or transactions that occur after the statement of financial position date but before the financial statements are issued or available to be issued.

NOTE 3 - LIQUIDITY

The following represents the Organization's financial assets at June 30:

| | 2022 | 2021 |
|---|---|---|
| Cash, cash equivalents and restricted cash | $ 1,345,076 | $ 1,426,045 |
| Receivables | 314,275 | 416,585 |
| Marketable securities, at fair value | 1,233,244 | 1,313,759 |
| Total Financial Assets | 2,892,595 | 3,156,389 |
| Less: Net assets with donor restriction | (432,227) | (449,894) |
| Less: Net assets with board designation | (1,024,700) | (1,123,045) |
| Less: Restricted cash - security deposits | (47,668) | (30,868) |
| Financial Assets Available To Meet General Expenditures Over The Next 12 Months | $ 1,388,000 | $ 1,552,582 |

The Organization maintains a minimum of $370,000, or roughly 31 days of operating expenses, in its business checking account to pay current liabilities as they become due. This amount is enough to cover current expenses, while maintaining maximum dollars invested to fund growth and distribution. The annual target distribution from marketable securities for these funds is 5% of the three-year rolling average principal balance at year-end.

As of June 30, 2022, the Organization has $1,024,700 of board-designated net assets (see Note 9). Management does not intend that these funds be used for general expenditures over the next 12 months; however, if unforeseen circumstances were to arise creating an urgent need, these board-designated net assets could be made available to satisfy such obligations. Additionally, the Organization has lines of credit of $350,000 available to use for operating expenditures. In addition to these available assets, a significant portion of the Organization's annual expenditures are expected to be funded with operating revenues.

## NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

| | 2022 | 2021 |
|---|---|---|
| Buildings | $ 638,539 | $ 638,539 |
| Building and land improvements | 1,158,502 | 1,048,492 |
| Buildings and improvements - Kenmore | 1,254,930 | 1,212,304 |
| Furniture and fixtures | 23,935 | 23,935 |
| Equipment | 432,726 | 409,251 |
| Vehicles | 53,979 | 53,979 |
| | 3,562,611 | 3,386,500 |
| Less: Accumulated depreciation | (1,946,373) | (1,732,555) |
| | 1,616,239 | 1,653,945 |
| Land | 151,371 | 151,371 |
| Construction in Progress | - | 24,019 |
| Property And Equipment, Net | $ 1,767,609 | $ 1,829,335 |

## NOTE 5 - MARKETABLE SECURITIES

The following is a summary of the fair value of the Organization's investments in marketable securities as of June 30:

| | 2022 | 2021 |
|---|---|---|
| Equity mutual funds | $ 871,263 | $ 949,711 |
| Debt mutual funds | 361,981 | 364,048 |
| Total Marketable Securities | 1,233,244 | 1,313,759 |
| Less: Scholarship fund holdings | (223,702) | (251,999) |
| Board-Designated Portion | $ 1,009,542 | $ 1,061,760 |

## NOTE 6 - NOTE PAYABLE AND LINES OF CREDIT

In April 2013, the Organization entered into a note payable with a financial institution in the amount of $320,000, which bears interest at a fixed rate of 4.40% and is payable in monthly installments of $3,317 until its maturity in May 2023. The note is secured by substantially all real estate of the Organization. At June 30, 2022 and 2021, the balance outstanding on the loan was $35,519 and $72,837, respectively.

In February 2020, the Organization entered into a non-interest-bearing mortgage payable with Columbus Metropolitan Housing Authority in the amount of $592,000, which is payable in monthly installments of $4,933 until its maturity in March 2030. At June 30, 2022 and 2021, the balance outstanding on the loan was $458,800 and $513,067, respectively.

In April 2020, the Organization entered into a note payable with a financial institution in the amount of $300,000, which bears interest at a fixed rate of 4.25% and is payable in monthly installments of $3,083 until its maturity in March 2030. The note is secured by substantially all real estate of the Organization. At June 30, 2022 and 2021, the balance outstanding on the loan was $245,292 and $271,112, respectively.

Principal payments due for years subsequent to June 30, 2022 are as follows:

| Year Ending June 30 | | Amount |
|---|---|---|
| 2023 | $ | 120,528 |
| 2024 | | 87,303 |
| 2025 | | 88,562 |
| 2026 | | 89,853 |
| 2027 | | 91,200 |
| Thereafter | | 262,165 |
| | $ | 739,611 |

In March 2021, the Organization obtained two lines of credit with a financial institution in the amounts of $325,000 and $25,000. These lines of credit are secured by all business assets. Interest is computed on outstanding balances using the bank's prime commercial rate (4.75% at June 30, 2022) plus 0.50%. There was no outstanding balance on the lines of credit as of June 30, 2022 and 2021.

## NOTE 7 - PAYCHECK PROTECTION PROGRAM

The Organization was the recipient of a Paycheck Protection Plan (PPP) loan in the amount of $593,225 in May 2020, granted by the Small Business Administration (SBA) under the Coronavirus Aid, Relief and Economic Security Act. Under program terms, PPP loans may be forgiven if loan proceeds are used to maintain compensation costs and employee headcount and other qualifying expenses incurred following receipt of the loan and accrued interest. During 2020, the Organization elected to record this loan in accordance with FASB Accounting Standards Codification (ASC) 470, Debt. As such, it was recorded as debt on the accompanying statement of financial position as of June 30, 2020.

In June 2021, the Organization received forgiveness in full from the SBA and recorded the forgiveness as a gain on the extinguishment of debt that is included as income on the accompanying statement of activities and change in net assets as of June 30, 2021.

In April 2021, the Organization entered into a second term note with a principal amount of $513,452 pursuant to the Second Draw Paycheck Protection Program (Second PPP loan) under the Consolidated Appropriations Act. The Second PPP loan is evidenced by a promissory note, which bears interest at a fixed annual rate of 1.00%. During 2021, the Organization elected to record this loan in accordance with FASB ASC 470, Debt. As such, it was recorded as debt on the accompanying statement of financial position as of June 30, 2021.

In January 2022, the Organization received forgiveness in full from the SBA and recorded the forgiveness as a gain on the extinguishment of debt that is included as income on the accompanying statement of activities and change in net assets as of June 30, 2022.

## NOTE 8 - QUASI-ENDOWMENTS AND INVESTMENT SPENDING POLICIES

The Organization's quasi-endowments consist of funds designated by the board to provide funding for emergencies, future projects and scholarships (see Note 9) and the donor-restricted funds used in awarding scholarships (see Note 10).

Interpretation of Relevant Law - The Board of Trustees has interpreted the State of Ohio's Uniform Prudent Management Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies net assets with donor restrictions at (a) the original value of gifts donated to the endowment, (b) the original value of the subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The restricted portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment fund: (1) the duration and preservation of the donor-restricted endowment fund; (2) the purposes of the Organization and the donor-restricted endowment fund; (3) general economic conditions; (4) the possible effect of inflation and deflation; (5) the expected total return from income and the appreciation of investments; and (6) the investment policies of the Organization.

NOTE 8 - QUASI-ENDOWMENTS AND INVESTMENT SPENDING POLICIES (Continued)

Funds with Deficiencies - From time to time, the fair value of assets associated with quasi-endowment funds may fall below the level that Organization is required to retain. There were no deficiencies of this nature reported in net assets with donor restrictions as of June 30, 2022 and 2021.

Return Objectives and Risk Parameters - The Organization has adopted an investment policy for endowment assets that attempts to provide a predictable stream of funding while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold for a donor-specified purpose as well as board-designated funds. Under its Board of Trustees approved policy, the Organization's objective for these portfolios is to grow the principal with a moderate level of market risk.

Strategies Employed for Achieving Objectives - To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and asset allocation that balances long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy - The investment objective for these funds is to achieve a long-term average annual real (inflation-adjusted) return of 5.0% net of all expenses. It is anticipated that annual distributions from these funds will not exceed 5.0% of the three-year rolling average principal balance at year-end. The investment policy of the Organization suggests assets in these quasi-endowments be invested at a range of 3% to 7% in cash equivalents, 25% to 35% in fixed income, and 60% to 70% in equity funds with proper diversification.

NOTE 9 - BOARD-DESIGNATED FUNDS

The following is a summary of board-designated net assets at June 30:

| | 2022 | 2021 |
|---|---|---|
| Board-designated endowment investment fund: | | |
| Marketable securities | $ 984,542 | $ 1,036,760 |
| Cash | 15,158 | 61,285 |
| McNamara Scholarship investment fund: | | |
| Marketable securities | 25,000 | 25,000 |
| | $ 1,024,700 | $ 1,123,045 |

## NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS

The following details the activity for net assets with donor restrictions for 2022 and 2021:

| | McNamara Scholarship Fund | Soltis Scholarship Fund | Contributions with other restrictions | Total |
|---|---|---|---|---|
| Balances, June 30, 2020 | $ 170,433 | $ 21,333 | $ 316,690 | $ 508,456 |
| Contributions | - | - | 5,000 | 5,000 |
| Investment income | 46,990 | 6,853 | - | 53,843 |
| Net realized/unrealized gain | 7,116 | 1,073 | - | 8,189 |
| Scholarship distributions | (799) | (1,000) | - | (1,799) |
| Release from other restrictions | - | - | (123,795) | (123,795) |
| Balances, June 30, 2021 | 223,740 | 28,259 | 197,895 | 449,894 |
| Contributions | - | - | 45,000 | 45,000 |
| Investment income | 9,445 | 2,409 | - | 11,854 |
| Net realized/unrealized loss | (33,942) | (5,123) | - | (39,065) |
| Scholarship distributions | (4,614) | (3,887) | - | (8,501) |
| Release from other restrictions | - | - | (26,955) | (26,955) |
| Balances, June 30, 2022 | $ 194,629 | $ 21,658 | $ 215,940 | $ 432,227 |

## NOTE 11 - OPERATING LEASES

The Organization leased approximately 47 apartments for individuals in the Transitional Living Program, all of which expired in fiscal year 2020. As a result of the additional apartment space from the formation of Kenmore, management chose not to renew these leases past their expiration date. Rent expense was approximately $16,000 and $9,000 for the years ended June 30, 2022 and 2021, respectively.

The Organization leases office equipment under an operating lease expiring in April 2025. Lease expense for office equipment was approximately $22,000 and $19,000 for the years ended June 30, 2022 and 2021, respectively.

## NOTE 11 - OPERATING LEASES (Continued)

The following is a schedule of future minimum rental payments required under the office equipment leases at June 30, 2022:

| Year Ended June 30 | | Amount |
|---|---|---|
| 2023 | $ | 16,740 |
| 2024 | | 16,740 |
| 2025 | | 13,950 |
| Total | $ | 47,430 |

In relation to the formation of Kenmore in fiscal year 2020, the Organization leases space to other not-for-profit organizations that also provide shelter to homeless youth. These leases have expirations ranging from October 2020 to June 2022. Rental income for these spaces was approximately $394,000 and $343,000 for the years ended June 30, 2022 and 2021, respectively.

Future minimum lease payments to be received during the next 12 months is approximately $280,000.

## NOTE 12 - PROFIT-SHARING PLAN

The Organization sponsors a defined contribution profit-sharing plan (Plan) for the benefit of eligible employees and their beneficiaries. Participants may contribute a portion of their wages to the plan subject to governmental limits. Employer contributions are made at the discretion of the Board of Trustees. The Organization’s contribution expense related to the Plan was approximately $44,000 and $43,000, for the years ended June 30, 2022 and 2021, respectively.

## NOTE 13 - GOVERNMENTAL FUNDING AND CONCENTRATIONS

The operations of the Organization are subject to the administrative directives, rules and regulations of federal and state regulatory agencies, including, but not limited to, the U.S. Department of Health and Human Services, the Ohio Department of Mental Health and Addiction Services (Medicaid), and the HUD. Such administrative directives, rules, regulations and budgetary funding levels are subject to change by an act of Congress, the passage of laws by the Ohio General Assembly or an administrative change mandated by one of these agencies. Such changes may occur with little notice or inadequate funding to pay for the related costs, including the additional administrative burden, to comply with a change.

Laws and regulations governing governmental programs are complex and subject to interpretation. The Organization believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations or potential wrongdoing. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties and exclusion from the various governmental programs.

NOTE 13 - GOVERNMENTAL FUNDING AND CONCENTRATIONS (Continue)

The Organization receives significant funding as a result of various contracts with ADAMH, Medicaid and HUD. Concentrations of revenue and accounts receivable as of and for the years ended June 30, 2022 and 2021 are as follows:

| | Revenue | | | |
|---|---|---|---|---|
| | 2022 | | 2021 | |
| | Amount | Percentage of Revenue | Amount | Percentage of Revenue |
| ADAMH | $ 831,000 | 17% | $ 855,000 | 15% |
| Medicaid | 532,000 | 11% | 536,000 | 9% |
| HUD | 528,000 | 11% | 521,000 | 9% |

| | Accounts Receivable | | | |
|---|---|---|---|---|
| | 2022 | | 2021 | |
| | Amount | Percentage of Accounts Receivable | Amount | Percentage of Accounts Receivable |
| HUD | $ 97,000 | 31% | $ 79,000 | 19% |
| Medicaid | 35,000 | 11% | 63,000 | 15% |
| ADAMH | 1,000 | <1% | 71,000 | 17% |

SUPPLEMENTARY INFORMATION

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HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2022

| | Huckleberry House | Kenmore Square | Eliminations | Total |
|---|---|---|---|---|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | $ 1,190,563 | $ 106,845 | - | $ 1,297,408 |
| Restricted cash - security deposits | - | 47,668 | - | 47,668 |
| Accounts receivable | 311,828 | 2,447 | - | 314,275 |
| Due from related party | 290,149 | - | $ (290,149) | - |
| Other current assets | 56,614 | - | - | 56,614 |
| Total Current Assets | 1,849,154 | 156,960 | (290,149) | 1,715,965 |
| PROPERTY AND EQUIPMENT, NET | 635,791 | 1,131,818 | - | 1,767,609 |
| MARKETABLE SECURITIES | 1,233,244 | - | - | 1,233,244 |
| Total Assets | $ 3,718,189 | $ 1,288,778 | $ (290,149) | $ 4,716,818 |
| LIABILITIES AND NET ASSETS | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | $ 139,112 | $ 12,571 | - | $ 151,683 |
| Due to related party | - | 290,149 | $ (290,149) | - |
| Accrued payroll and related liabilities | 197,721 | 19,000 | - | 216,721 |
| Security deposits payables | - | 47,668 | - | 47,668 |
| Notes payable | 35,519 | 85,009 | - | 120,528 |
| Total Current Liabilities | 372,352 | 454,397 | (290,149) | 536,600 |
| NOTES PAYABLE | - | 619,083 | - | 619,083 |
| Total Liabilities | 372,352 | 1,073,480 | (290,149) | 1,155,683 |
| NET ASSETS | | | | |
| Without donor restrictions: | | | | |
| Board-designated | 1,024,700 | - | - | 1,024,700 |
| Undesignated | 1,672,910 | 431,298 | - | 2,104,208 |
| With donor restrictions | 432,227 | - | - | 432,227 |
| Total Net Assets | 3,129,837 | 431,298 | - | 3,561,135 |
| Total Liabilities And Net Assets | $ 3,502,189 | $ 1,504,778 | $ (290,149) | $ 4,716,818 |

See independent auditor’s report.

## HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

## CONSOLIDATING STATEMENT OF FINANCIAL POSITION
## AS OF JUNE 30, 2021

| | Huckleberry House | Kenmore Square | Eliminations | Total |
|---|---|---|---|---|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | $ 1,300,966 | $ 94,211 | - | $ 1,395,177 |
| Restricted cash - security deposits | - | 47,668 | $ (16,800) | 30,868 |
| Accounts receivable | 387,652 | 28,933 | - | 416,585 |
| Due from related party | 286,545 | - | (286,545) | - |
| Other current assets | 64,103 | - | - | 64,103 |
| Total Current Assets | 2,039,266 | 170,812 | (303,345) | 1,906,733 |
| PROPERTY AND EQUIPMENT, NET | 631,047 | 1,198,288 | - | 1,829,335 |
| MARKETABLE SECURITIES | 1,313,759 | - | - | 1,313,759 |
| Total Assets | $ 3,984,072 | $ 1,369,100 | $ (303,345) | $ 5,049,827 |
| LIABILITIES AND NET ASSETS | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable | $ 68,506 | $ 15,618 | - | $ 84,124 |
| Due to related party | - | 286,545 | $ (286,545) | - |
| Accrued payroll and related liabilities | 192,546 | - | - | 192,546 |
| Security deposits payables | - | 47,668 | (16,800) | 30,868 |
| Notes payable | 37,318 | 85,009 | - | 122,327 |
| Total Current Liabilities | 298,370 | 434,840 | (303,345) | 429,865 |
| NOTES PAYABLE | 548,971 | 699,170 | - | 1,248,141 |
| Total Liabilities | 847,341 | 1,134,010 | (303,345) | 1,678,006 |
| NET ASSETS | | | | |
| Without donor restrictions: | | | | |
| Board-designated | 1,123,045 | - | - | 1,123,045 |
| Undesignated | 1,563,792 | 235,090 | - | 1,798,882 |
| With donor restrictions | 449,894 | - | - | 449,894 |
| Total Net Assets | 3,136,731 | 235,090 | - | 3,371,821 |
| Total Liabilities And Net Assets | $ 3,984,072 | $ 1,369,100 | $ (303,345) | $ 5,049,827 |

See independent auditor’s report.

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2022

| | Huckleberry House | | | Kenmore Square | | |
|---|---|---|---|---|---|---|
| | Without Donor Restriction | With Donor Restrictions | Total | Without Donor Restriction | With Donor Restrictions | Total |
| Revenue and support: | | | | | | |
| Programs and grants | $ 2,741,211 | - | $ 2,741,211 | - | - | - |
| United Way | 90,000 | - | 90,000 | - | - | - |
| Medicaid - Title XIX | 531,839 | - | 531,839 | - | - | - |
| Contributions | 316,828 | $ 45,000 | 361,828 | $ 1,029 | - | $ 1,029 |
| Rental and utilities income | - | - | - | 609,535 | - | 609,535 |
| Purchase of services and discretionary funding | 160,871 | - | 160,871 | - | - | - |
| Interest and dividend income | 46,274 | 11,854 | 58,128 | - | - | - |
| Special events, net of expenses of $13,075 | 92,002 | - | 92,002 | - | - | - |
| Net loss on marketable securities | (133,606) | (39,065) | (172,671) | - | - | - |
| Paycheck Protection Program loan forgiveness | 513,452 | - | 513,452 | - | - | - |
| Total Revenue And Support | 4,358,871 | 17,789 | 4,376,660 | 610,564 | - | 610,564 |
| NET ASSETS RELEASED FROM RESTRICTION | 35,456 | (35,456) | - | - | - | - |
| Total Revenue And Support | 4,394,327 | (17,667) | 4,376,660 | 610,564 | - | 610,564 |
| Expenses: | | | | | | |
| Transitional living | 1,769,502 | - | 1,769,502 | - | - | - |
| Kenmore housing | 1,029 | - | 1,029 | 414,356 | - | 414,356 |
| Crisis shelter | 1,161,944 | - | 1,161,944 | - | - | - |
| Permanent supportive housing | 214,886 | - | 214,886 | - | - | - |
| Youth outreach | 366,058 | - | 366,058 | - | - | - |
| Family support | 352,105 | - | 352,105 | - | - | - |
| Scholarship | - | - | - | - | - | - |
| Fundraising | 55,262 | - | 55,262 | - | - | - |
| Administration | 462,768 | - | 462,768 | - | - | - |
| Total Expenses | 4,383,554 | - | 4,383,554 | 414,356 | - | 414,356 |
| Change In Net Assets | 10,773 | (17,667) | (6,894) | 196,208 | - | 196,208 |
| NET ASSETS | | | | | | |
| Beginning of year | 2,686,837 | 449,894 | 3,136,731 | 235,090 | - | 235,090 |
| End of year | $ 2,697,610 | $ 432,227 | $ 3,129,837 | $ 431,298 | - | $ 431,298 |

| Eliminating Entries | | | Total | | |
|---|---|---|---|---|---|
| Without Donor Restriction | With Donor Restrictions | Total | Without Donor Restriction | With Donor Restrictions | Total |
| - | - | - | $ 2,741,211 | - | $ 2,741,211 |
| - | - | - | 90,000 | - | 90,000 |
| - | - | - | 531,839 | - | 531,839 |
| $ (1,029) | - | $ (1,029) | 316,828 | $ 45,000 | 361,828 |
| (216,000) | - | (216,000) | 393,535 | - | 393,535 |
| - | - | - | 160,871 | - | 160,871 |
| - | - | - | 46,274 | 11,854 | 58,128 |
| - | - | - | 92,002 | - | 92,002 |
| - | - | - | (133,606) | (39,065) | (172,671) |
| - | - | - | 513,452 | - | 513,452 |
| (217,029) | - | (217,029) | 4,752,406 | 17,789 | 4,770,195 |
| - | - | - | 35,456 | (35,456) | - |
| (217,029) | - | (217,029) | 4,787,862 | (17,667) | 4,770,195 |
| (216,000) | - | (216,000) | 1,553,502 | - | 1,553,502 |
| (1,029) | - | (1,029) | 414,356 | - | 414,356 |
| - | - | - | 1,161,944 | - | 1,161,944 |
| - | - | - | 214,886 | - | 214,886 |
| - | - | - | 366,058 | - | 366,058 |
| - | - | - | 352,105 | - | 352,105 |
| - | - | - | - | - | - |
| - | - | - | 55,262 | - | 55,262 |
| - | - | - | 462,768 | - | 462,768 |
| (217,029) | - | (217,029) | 4,580,881 | - | 4,580,881 |
| - | - | - | 206,981 | (17,667) | 189,314 |
| - | - | - | 2,921,927 | 449,894 | 3,371,821 |
| - | - | - | $ 3,128,908 | $ 432,227 | $ 3,561,135 |

See independent auditor's report.

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2021

| | Huckleberry House | | | Kenmore Square | | |
|---|---|---|---|---|---|---|
| | Without Donor Restriction | With Donor Restrictions | Total | Without Donor Restriction | With Donor Restrictions | Total |
| Revenue and support: | | | | | | |
| Programs and grants | $ 2,927,729 | - | $ 2,927,729 | - | - | - |
| United Way | 76,230 | - | 76,230 | - | - | - |
| Medicaid - Title XIX | 536,190 | - | 536,190 | - | - | - |
| Contributions | 649,345 | $ 5,000 | 654,345 | $ 43,948 | - | $ 43,948 |
| Rental and utilities income | - | - | - | 567,223 | - | 567,223 |
| Purchase of services and discretionary funding | 227,348 | - | 227,348 | - | - | - |
| Interest and dividend income | 29,427 | 53,843 | 83,270 | - | - | - |
| Special events, net of expenses of $16,603 | 102,570 | - | 102,570 | - | - | - |
| Net gain on marketable securities | 208,549 | 8,189 | 216,738 | - | - | - |
| Paycheck Protection Program loan forgiveness | 593,225 | - | 593,225 | - | - | - |
| Total Revenue And Support | 5,350,613 | 67,032 | 5,417,645 | 611,171 | - | 611,171 |
| NET ASSETS RELEASED FROM RESTRICTION | 125,594 | (125,594) | - | - | - | - |
| Total Revenue And Support | 5,476,207 | (58,562) | 5,417,645 | 611,171 | - | 611,171 |
| Expenses: | | | | | | |
| Transitional living | 1,494,464 | - | 1,494,464 | - | - | - |
| Kenmore housing | 43,948 | - | 43,948 | 529,010 | - | 529,010 |
| Crisis shelter | 1,180,340 | - | 1,180,340 | - | - | - |
| Permanent supportive housing | 195,774 | - | 195,774 | - | - | - |
| Youth outreach | 343,860 | - | 343,860 | - | - | - |
| Family support | 380,636 | - | 380,636 | - | - | - |
| Scholarship | 4,207 | - | 4,207 | - | - | - |
| Fundraising | 58,963 | - | 58,963 | - | - | - |
| Administration | 450,031 | - | 450,031 | - | - | - |
| Total Expenses | 4,152,223 | - | 4,152,223 | 529,010 | - | 529,010 |
| Change In Net Assets | 1,323,984 | (58,562) | 1,265,422 | 82,161 | - | 82,161 |
| NET ASSETS | | | | | | |
| Beginning of year | 1,362,853 | 508,456 | 1,871,309 | 152,929 | - | 152,929 |
| End of year | $ 2,686,837 | $ 449,894 | $ 3,136,731 | $ 235,090 | - | $ 235,090 |

| Eliminating Entries | | | Total | | |
|---|---|---|---|---|---|
| Without Donor Restriction | With Donor Restrictions | Total | Without Donor Restriction | With Donor Restrictions | Total |
| - | - | - | $ 2,927,729 | - | $ 2,927,729 |
| - | - | - | 76,230 | - | 76,230 |
| - | - | - | 536,190 | - | 536,190 |
| $ (43,948) | - | $ (43,948) | 649,345 | $ 5,000 | 654,345 |
| (224,352) | - | (224,352) | 342,871 | - | 342,871 |
| - | - | - | 227,348 | - | 227,348 |
| - | - | - | 29,427 | 53,843 | 83,270 |
| - | - | - | 102,570 | - | 102,570 |
| - | - | - | 208,549 | 8,189 | 216,738 |
| - | - | - | 593,225 | - | 593,225 |
| (268,300) | - | (268,300) | 5,693,484 | 67,032 | 5,760,516 |
| - | - | - | 125,594 | (125,594) | - |
| (268,300) | - | (268,300) | 5,819,078 | (58,562) | 5,760,516 |
| (224,352) | - | (224,352) | 1,270,112 | - | 1,270,112 |
| (43,948) | - | (43,948) | 529,010 | - | 529,010 |
| - | - | - | 1,180,340 | - | 1,180,340 |
| - | - | - | 195,774 | - | 195,774 |
| - | - | - | 343,860 | - | 343,860 |
| - | - | - | 380,636 | - | 380,636 |
| - | - | - | 4,207 | - | 4,207 |
| - | - | - | 58,963 | - | 58,963 |
| - | - | - | 450,031 | - | 450,031 |
| (268,300) | - | (268,300) | 4,412,933 | - | 4,412,933 |
| - | - | - | 1,406,145 | (58,562) | 1,347,583 |
| - | - | - | 1,515,782 | 508,456 | 2,024,238 |
| - | - | - | $ 2,921,927 | $ 449,894 | $ 3,371,821 |

See independent auditor’s report.

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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 Trustees
Huckleberry House, Inc. and Subsidiary
Columbus, Ohio

We have audited, in accordance with the 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 consolidated financial statements of Huckleberry House, Inc. and Subsidiary (Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements, and have issued our report thereon dated November 21, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 financial statements. 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*.

**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 entity'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.

Schneider Downs & Co., Inc.

Columbus, Ohio
November 21, 2022

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

To the Board of Trustees
Huckleberry House, Inc. and Subsidiary
Columbus, Ohio

## Report on Compliance for Each Major Federal Program

### Opinion on Each Major Federal Program

We have audited Huckleberry House, Inc. and Subsidiary's (Organization) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2022. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct material effect on the major federal program for the year ended June 30, 2022.

### Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's federal program.

**Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on 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 a 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 a 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 attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above, however material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Schneider Downs & Co., Inc.

Columbus, Ohio
November 21, 2022

HUCKLEBERRY HOUSE, INC AND SUBSIDIARY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | PASS-THROUGH ENTITY IDENTIFYING NUMBER | FEDERAL ASSISTANCE LISTING NUMBER | TOTAL FEDERAL EXPENDITURES |
|---|---|---|---|
| U.S Department of Agriculture | | | |
| Pass-through the Ohio Department of Education: | | | |
| Child Nutrition Cluster | | | |
| National School Lunch Program | 083188 | 10.555 | $ 9,358 |
| School Breakfast Program | 083188 | 10.553 | 4,921 |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | 14,279 |
| U.S. Department of Housing and Urban Development | | | |
| Pass-through the Community Shelter Board: | | | |
| Continuum of Care Program | HUCK-22-CoC | 14.267 | 289,080 |
| Continuum of Care Program | HUCK-22-CARR | 14.267 | 231,484 |
| Continuum of Care Program | HUCK-22-CARR Star House | 14.267 | 7,519 |
| Continuum of Care Program | PSN-CHN: Supportive Servie Marshbrook Place, FY22HUCK | 14.267 | 220,136 |
| TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | 748,219 |
| U.S. Department of Health and Human Services | | | |
| Direct programs: | | | |
| Runaway and Homeless Youth Basic Center Grant | 90CY7167-03-00 | 93.623 | 200,000 |
| Transitional Living Program | 90CX7093-05-00 | 93.550 | 194,726 |
| TOTAL U.S. DEPARTMENT HEALTH AND HUMAN SERVICES | | | 394,726 |
| U.S. Department of Justice | | | |
| Pass-through the Ohio Attorney General: | | | |
| 2021 Transitional Living Program | 2021-VOCA-134036745 | 16.575 | 63,791 |
| 2022 Transitional Living Program | 2022-VOCA-134715320 | 16.575 | 147,588 |
| TOTAL U.S. DEPARTMENT OF JUSTICE | | | 211,379 |
| U.S. Department of Treasury | | | |
| Pass-through Medicaid | | | |
| Coronavirus Relief Fund | Medicaid | 21.019 | 23,886 |
| TOTAL U.S. DEPARTMENT OF JUSTICE | | | 23,886 |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | $ 1,392,489 |

The notes to the schedule of expenditures of federal awards should be read with this schedule.

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards and other financial assistance (schedule) includes the federal award activity of Huckleberry House, Inc. (the Organization) under programs of the federal government for the year ended June 30, 2022. 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 the Organization, it is not intended to and does not present the financial position, change in net assets or cash flows of the Organization.

2. 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The Organization has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

## SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

| | | |
|---|---|---|
| Type of report the auditor issued on whether the financial statements were prepared in accordance with accounting principles generally accepted in the United States of America: | Unmodified | |
| Internal control over financial reporting: | | |
| Material weakness(es) identified? | ______ yes | X no |
| Significant deficiency(ies) identified? | ______ yes | X none reported |
| Noncompliance material to financial statements notes | ______ yes | X no |

Federal Awards:

| | | |
|---|---|---|
| Internal control over major programs: | | |
| Material weakness(es) identified? | ______ yes | X no |
| Significant deficiency(ies) identified? | ______ yes | X none reported |
| Type of auditor's report on compliance for major federal programs: | Unmodified | |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | ______ yes | X no |

Identification of major federal programs:

| Assistance Listing Numbers | Name of Federal Program or Cluster |
|---|---|
| 14.267 | Continuum of Care |

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs: | $ 750,000 |
| Auditee qualified as low-risk auditee? | X yes |

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022
(Continued)

## SECTION II - FINANCIAL STATEMENT FINDINGS

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, grant agreements and abuse related to the financial statements for which Government Auditing Standards require reporting.

There were no findings noted in the current year that are required to be reported in accordance with Chapter 5.18 of Government Auditing Standards.

## SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

This section identifies the audit findings required to be reported by 2 CFR 200.516(a) (significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs and material abuse.)

There were no findings noted in the current year that are required to be reported in accordance with 2 CFR 200.516(a).

HUCKLEBERRY HOUSE, INC. AND SUBSIDIARY

SCHEDULE OF KEY FINANCIAL PERFORMANCE INDICATORS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2022 WITH COMPARATIVE RATIOS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

| | | 2022 Amount | 2022 Ratio | 2021 Ratio |
|---|---|---|---|---|
| A. Current Ratio<br>This ratio is calculated as follows: | | | | |
| | Current Assets | $ 1,715,965 | 3.20 | 4.44 |
| | Current Liabilities | $ 536,600 | | |
| B. Debt-to-Equity Ratio<br>This ratio is calculated as follows: | | | | |
| | Total Liabilities | $ 1,155,683 | 0.32 | 0.50 |
| | Total Equity (Net Assets) | $ 3,561,135 | | |
| C. Administrative Costs to Expenses<br>This ratio is calculated as follows: | | | | |
| | Total Administrative Cost | $ 518,030 | 0.11 | 0.12 |
| | Total Expenses | $ 4,580,881 | | |
| D. Revenue to Expenses<br>This ratio is calculated as follows: | | | | |
| | Total Revenue | $ 4,770,195 | 1.04 | 1.31 |
| | Total Expenses | $ 4,580,881 | | |
| E. Fund Balance Reserve<br>This ratio is calculated as follows: | | | | |
| | Total Equity (Net Assets) | $ 3,561,135 | 9.33 | 9.17 |
| | Total Expenses/12 | $ 381,740 | | |
| F. Percent of Funding from ADAMH Board<br>This ratio is calculated as follows: | | | | |
| | Total Revenue from ADAMH | $ 830,542 | 0.17 | 0.15 |
| | Total Revenue | $ 4,770,195 | | |
| G. Cash to Average Days Expenses<br>This ratio is calculated as follows: | | | | |
| | Cash | $ 1,297,408 | 103.38 | 115.40 |
| | Total Expenses/365 | $ 12,550 | | |

See accompanying independent auditor’s report.