

EVERYONE HOME DC

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

December 31, 2021 and 2020

EVERYONE HOME DC
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Everyone Home DC

Opinion

We have audited the accompanying financial statements of Everyone Home DC (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Everyone Home DC as of December 31, 2021 and 2020, 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Everyone Home DC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Everyone Home DC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if

there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 Everyone Home DC'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 Everyone Home DC'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.

Luxemburg + Bronfin, LLC

Baltimore, Maryland
October 6, 2022

EVERYONE HOME DC
Statements of Financial Position
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,412,389	\$ 1,020,825
Grant receivable	238,493	298,465
Accounts receivable - other	3,562	3,686
Prepaid expenses	<u>20,871</u>	<u>29,418</u>
Total current assets	<u>1,675,315</u>	<u>1,352,394</u>
Other assets		
Security deposits	17,961	17,961
Investments	<u>161,745</u>	<u>160,848</u>
Total other assets	<u>179,706</u>	<u>178,809</u>
Fixed assets		
Property and equipment	500,401	481,303
Less accumulated depreciation	<u>(280,700)</u>	<u>(256,089)</u>
Total fixed assets	<u>219,701</u>	<u>225,214</u>
Total assets	<u>\$ 2,074,722</u>	<u>\$ 1,756,417</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 27,215	\$ 70,717
Accrued payroll	<u>115,596</u>	<u>118,625</u>
Total current liabilities	<u>142,811</u>	<u>189,342</u>
Long-term liabilities		
PPP loan payable	<u>-</u>	<u>249,050</u>
Net assets		
Without donor restrictions	1,874,411	1,315,525
With donor restrictions	<u>57,500</u>	<u>2,500</u>
Total net assets	<u>1,931,911</u>	<u>1,318,025</u>
Total liabilities and net assets	<u>\$ 2,074,722</u>	<u>\$ 1,756,417</u>

See notes to financial statements

EVERYONE HOME DC
Statements of Activities
For the Years Ended December 31, 2021 and 2020

	2021			2020		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Support and revenue						
Contributions	\$ 349,027	\$ 55,000	\$ 404,027	\$ 471,490	\$ 2,500	\$ 473,990
Grants	2,501,549	-	2,501,549	2,153,874	-	2,153,874
PPP loan forgiveness	249,050	-	249,050	-	-	-
Fundraising income, net	64,438	-	64,438	66,552	-	66,552
Interest and dividend income	1,777	-	1,777	3,737	-	3,737
Net assets released from restrictions	-	-	-	30,000	(30,000)	-
Total support and revenue, net	<u>3,165,841</u>	<u>55,000</u>	<u>3,220,841</u>	<u>2,725,653</u>	<u>(27,500)</u>	<u>2,698,153</u>
Functional expenses						
Program services						
Social services	582,802	-	582,802	511,754	-	511,754
Homeless services	1,817,800	-	1,817,800	1,721,329	-	1,721,329
Support services						
Management and general	140,125	-	140,125	129,251	-	129,251
Fundraising	66,228	-	66,228	57,435	-	57,435
Total functional expenses	<u>2,606,955</u>	<u>-</u>	<u>2,606,955</u>	<u>2,419,769</u>	<u>-</u>	<u>2,419,769</u>
Change in net assets	558,886	55,000	613,886	305,884	(27,500)	278,384
Net assets						
Beginning of year	<u>1,315,525</u>	<u>2,500</u>	<u>1,318,025</u>	<u>1,009,641</u>	<u>30,000</u>	<u>1,039,641</u>
End of year	<u>\$ 1,874,411</u>	<u>\$ 57,500</u>	<u>\$ 1,931,911</u>	<u>\$ 1,315,525</u>	<u>\$ 2,500</u>	<u>\$ 1,318,025</u>

See notes to financial statements

EVERYONE HOME DC
Statement of Functional Expenses
For the Year Ended December 31, 2021

	Program Services								Supporting Services		
	Rehousing Program (RRH) Services	Place ⁿ Day Hospitality (SP/SFH) Services	Shelter Plus Care (SPC)	Street Outreach	ADA Units	Homelessness Prevention (HPP)	Community Engagement	Total Program Services	General & Administrative	Fundraising	Total
Functional Expenses											
Salaries	\$ 392,987	\$ 160,407	\$ 154,088	\$ 64,583	\$ 100,121	\$ 372,404	\$ 10,303	\$ 1,254,893	\$ 42,644	\$ 60,207	\$ 1,357,744
Temporary Personnel	-	-	-	10,620	-	-	-	10,620	-	-	10,620
Payroll Taxes	29,820	12,267	11,485	5,419	7,521	28,562	906	95,980	5,563	6,021	107,564
Workers Comp and ERISA	2,053	700	745	271	547	2,007	140	6,463	7,946	-	14,409
Fringe Benefits	29,843	16,342	10,794	4,876	-	19,142	6,452	87,449	28,239	-	115,688
Payroll Processing	-	-	-	629	-	110	-	739	4,601	-	5,340
Background/Drug screens	835	390	522	41	38	389	123	2,338	18	-	2,356
Client Assistance	62,475	66,459	15,101	9,134	3,881	409,551	-	566,601	-	-	566,601
Day Center Repairs	-	17,698	-	-	-	-	-	17,698	-	-	17,698
Day Center Supplies	120	4,145	-	-	-	-	-	4,265	-	-	4,265
Program Consultants	-	14,674	-	-	-	-	-	14,674	-	-	14,674
Staff Cell Phones	3,186	725	1,918	-	-	5,502	798	12,129	1,500	-	13,629
Utilities	-	5,863	-	-	-	-	-	5,863	-	-	5,863
Staff Transportation	14	12	105	179	-	45	-	355	-	-	355
Accounting	12,518	3,709	5,331	1,252	4,173	13,445	834	41,262	1,219	-	42,481
Board Discretionary	-	-	-	-	-	-	-	-	568	-	568
Computer and Office Equipment	5,205	-	1,841	387	1,625	5,121	262	14,441	3,201	-	17,642
Depreciation	1,163	15,766	374	165	-	1,727	122	19,317	5,294	-	24,611
Dues and Memberships	243	28	70	-	-	1,551	35	1,927	4,404	-	6,331
Insurance	6,474	2,158	2,158	971	2,158	6,474	108	20,501	3,410	-	23,911
Office Space	22,341	-	7,447	-	14,894	104,257	-	148,939	-	-	148,939
Office Supplies	655	435	183	57	272	2,219	33	3,854	931	-	4,785
Property Taxes	-	-	-	-	-	-	-	-	4,932	-	4,932
Professional Consultants	6,887	2,661	2,661	348	1,080	31,747	232	45,616	5,214	-	50,830
Staff Expenses	1,902	422	849	827	135	5,616	363	10,114	4,529	-	14,643
Telecommunications	3,633	2,442	1,816	339	767	3,148	307	12,452	1,212	-	13,664
Donor Stewardship	-	-	-	-	-	-	-	-	10,721	-	10,721
PR Materials	448	143	353	-	29	1,033	106	2,112	3,979	-	6,091
Total Functional Expenses	\$ 582,802	\$ 327,446	\$ 217,841	\$ 100,098	\$ 137,241	\$ 1,014,050	\$ 21,124	\$ 2,400,602	\$ 140,125	\$ 66,228	\$ 2,606,955

See notes to financial statements

Everyone Home DC
Statement of Functional Expenses
For the Year Ended December 31, 2020

	Program Services								Supporting Services		
	Rehousing Program (RRH) Services	Place" Day Hospitality (SP/SFH) Services	Shelter Plus Care (SPC)	Street Outreach	ADA Units	Homelessness Prevention (HPP)	Community Engagement	Total Program Services	General & Administrative	Fundraising	Total
Functional Expenses											
Salaries	\$ 323,998	\$ 168,033	\$ 152,506	\$ 63,244	\$ 93,106	\$ 415,993	\$ 17,703	\$ 1,234,583	\$36,577	\$52,213	\$ 1,323,373
Temporary Personnel	8,720	13,000	-	22,160	-	-	-	43,880	-	-	43,880
Payroll Taxes	23,030	12,314	10,939	5,131	7,067	30,591	1,341	90,413	4,710	5,222	100,345
Workers Comp and ERISA Insur:	2,854	1,571	1,539	646	412	4,213	524	11,759	2,419	-	14,178
Fringe Benefits	28,375	15,404	11,852	4,626	-	29,668	6,144	96,069	26,297	-	122,366
Payroll Processing	-	-	-	970	-	-	-	970	4,066	-	5,036
Background/Drug screens	67	274	22	21	279	364	-	1,027	25	-	1,052
Client Assistance	60,410	63,188	12,105	8,349	5,720	261,141	-	410,913	-	-	410,913
Day Center Repairs	-	15,068	-	-	-	-	-	15,068	12	-	15,080
Day Center Supplies	72	6,602	-	-	-	-	-	6,674	48	-	6,722
Staff Cell Phones	3,299	600	1,824	74	-	4,412	797	11,006	1,500	-	12,506
Utilities	-	5,331	-	-	-	-	-	5,331	-	-	5,331
Staff Transportation	527	182	405	175	-	19	-	1,308	25	-	1,333
Accounting	10,985	2,205	3,337	846	4,925	13,141	732	36,171	1,201	-	37,372
Board Discretionary	-	-	-	-	-	-	-	-	137	-	137
Computer and Office Equipment	2,025	136	1,326	215	1,309	2,375	764	8,150	9,446	-	17,596
Depreciation	1,201	13,720	343	172	-	1,544	172	17,152	5,123	-	22,275
Dues and Memberships	245	180	123	4	12	311	37	912	3,670	-	4,582
Insurance	6,347	2,116	2,116	1,058	2,116	6,347	-	20,100	3,063	-	23,163
Office Space	27,045	-	9,008	-	18,015	126,107	-	180,175	-	-	180,175
Office Supplies	679	533	388	746	363	1,880	49	4,638	364	-	5,002
Postage and Delivery	227	46	76	15	38	374	15	791	236	-	1,027
Professional Consultants	5,823	2,353	2,353	335	970	6,792	223	18,849	6,936	-	25,785
Staff Expenses	1,918	419	219	439	-	1,586	326	4,907	4,099	-	9,006
Telecommunications	3,052	2,458	1,526	276	629	2,645	252	10,838	1,498	-	12,336
Donor Stewardship	-	-	-	-	-	-	-	-	10,637	-	10,637
E-Communications	855	-	95	-	-	380	-	1,330	3,685	-	5,015
PR Materials	-	-	-	16	-	53	-	69	3,477	-	3,546
Total Functional Expenses	\$511,754	\$325,733	\$212,102	\$109,518	\$134,961	\$909,936	\$29,079	\$2,233,083	\$129,251	\$57,435	\$2,419,769

See notes to financial statements

EVERYONE HOME DC
Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities		
Change in net assets	\$ 613,886	\$ 278,384
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	24,611	22,275
Investment income	(897)	(3,113)
PPP loan forgiveness	(249,050)	-
(Increase) decrease in:		
Grant receivable	59,972	(107,668)
Accounts receivable - other	124	-
Prepaid expenses	8,547	(3,207)
Increase (decrease) in:		
Accounts payable	(43,502)	60,394
Accrued payroll	(3,029)	54,073
Net cash provided by operating activities	410,662	301,138
Cash flows from investing activities		
Capital expenditures	(19,098)	(748)
Net cash used in investing activities	(19,098)	(748)
Cash flows from financing activities		
PPP loan proceeds	-	249,050
Net cash provided by financing activities	-	249,050
Net increase in cash	391,564	549,440
Cash, beginning of year	1,020,825	471,385
Cash, end of year	\$ 1,412,389	\$ 1,020,825

See notes to financial statements

EVERYONE HOME DC
Notes to Financial Statements
December 31, 2021 and 2020

Note 1 Organization and Nature of Operations

Nature of Operations

Everyone Home DC, formerly known as Capitol Hill Group Ministry, Inc., (the Organization) began operations in 1967 and is located in Washington, D.C. Everyone Home DC envisions the District of Columbia as a thriving and diverse community where all people can obtain and remain in safe, affordable, and comfortable homes. Its mission is to support the holistic needs of individuals and families at risk of or experiencing homelessness. Everyone Home DC is a vibrant, transformative and results driven nonprofit organization whose homelessness prevention, housing, street outreach, and supportive services have served as the foundation for thousands of individuals and families to secure stable homes and build thriving lives.

In August 2018, the board voted to change the Organization's name to Everyone Home DC and began using that name in April 2018. The Organization filed the Articles of Amendment with the DCRA requesting the name change and subsequently received the Certificate of Amendment and new Certificate of Incorporation.

Description of Services and Programs

Family Homelessness Prevention Program

Our Prevention Program stabilizes families at risk of becoming homeless through mediation, flexible financial assistance and by connecting them to supportive resources. Using a person-centered approach, our specialists work with families to create both short and long-term housing plans so that they can avoid homelessness and the trauma and disruption associated with a shelter stay.

Family Re-Housing and Stabilization Program

The Family Re-Housing and Stabilization Program (FRSP), or Rapid Rehousing, is a program designed to provide short-term rental assistance to homeless families in DC. Clients work with our case managers to set goals for greater housing and economic self-sufficiency.

Permanent Supportive Housing

Our Permanent Supportive Housing (PSH) Program provides permanent housing and supportive services to formerly homeless families in Washington, DC. The families in our PSH Program live in scattered site apartments throughout the city, pay a portion of their income towards their rent and participate in intensive case management services.

ADA Accessible Shelter Units

In conjunction with the Department of Human Services, we operate four ADA accessible, apartment style, shelter units for families in Washington, DC. The Organization provides case management services to families during their shelter stay and assists them transition into permanent housing.

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Notes to Financial Statements
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Street Outreach Program

Our street outreach team serves chronically homeless individuals living in Ward 6, specifically in the Eastern Market neighborhood. Our team utilizes a person-centered approach to build and maintain relationships with our chronically homeless neighbors and supports them in meeting their immediate needs and achieving their long-term goals, including stable housing. Our street outreach team partners with Unity Healthcare to connect our homeless neighbors with high quality medical care.

Shirley's Place

Shirley's Place, our day hospitality center, offers people experiencing homelessness a safe and dignified place to spend their day off of the street. Shirley's Place provides access to showers, laundry, restrooms, mail service, phones, computers, lunch, and social service referrals.

Community Engagement

Our Community Engagement work involves building relationships with individuals, faith-based and community organizations, and businesses as allies in our work.

Note 2 Summary of Significant Accounting Policies

Method of Accounting

These financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America.

Classification of Net Assets

The financial statements are presented in accordance with FASB accounting guidance for financial statements of not-for-profit organizations, which establishes standards for financial statements issued by nonprofit organizations. It requires that net assets and related revenue and expenses be classified in two classes of net assets – net assets without donor restrictions and net assets with donor restrictions reflected based upon the existence or absence of donor-imposed restrictions. A definition and description of each net asset class follows:

Net Assets Without Donor Restrictions – Funds that are not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Funds subject to donor stipulations that may or will be met either by actions of the Organization and/or the passage of time. 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.

EVERYONE HOME DC
Notes to Financial Statements
December 31, 2021 and 2020

Concentration of Credit Risk

The Organization maintains its cash with financial institutions. At times these balances may exceed the federally insured limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect these balances as of December 31, 2021 and 2020.

Cash and Cash Equivalents

For purpose of the balances sheets and statements of cash flows, the Organization considers all highly liquid investments, which are readily convertible into known amounts of cash and have a maturity of three months or less when acquired to be cash equivalents.

Grants Receivable

Grants receivable are reported net of allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of grants receivable. It is reasonably possible that management's estimate of the allowance will change. As of December 31, 2021 and 2020, the allowance for doubtful accounts was \$-0-, respectively.

In-kind Contributions

In-kind contributions are recorded at fair value at the date of donation. Volunteers have donated significant amounts of time in support of the Organization's activities. However, the value of these services is not reflected in the accompanying financial statements, as they do not meet the criteria for recognition as set forth under generally accepted accounting principles.

Contribution and Revenue

Contributions and other support are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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. Conditional contributions represent money received in advance where the Organization must meet certain requirements subject to donor approval before being allowed to spend the proceeds.

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Notes to Financial Statements
December 31, 2021 and 2020

Grants and Revenue Recognition

The Organization requests and receives grants from governmental organizations and foundations that are specifically designated for program services. The funds are expended in accordance with grant requirements. Grant revenue is earned when the Organization has incurred expenses related to a specific grant or based upon the grantor's award period.

PPP Loan

The Organization's policy is to account for the PPP proceeds as a loan. The Organization would continue to record the proceeds as a liability until the conditions of the loan are met at which point the loan would be recorded into income. The significant conditions associated with the PPP loan are met when the Organization uses the proceeds for qualifying expenses such as payroll costs, benefits, rent, and utilities as described in the CARES Act.

Property and Equipment

Fixed assets are recorded at cost if purchased or at fair market value at date of gift if donated. Depreciation for property and equipment is computed using the straight-line method over the life of the assets. Additions and improvements that add materially productive capacity or extend the life of an asset are capitalized. The Organization established capitalization policy of \$1,000. The estimated lives used in determining depreciation are:

Building and improvements	15 - 39 years
Furniture and fixtures	5 years

Income Tax Status

The Organization is a not-for-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). It is also exempt from state income tax. However, any unrelated business income may be subject to taxation. There was no unrelated business income tax recorded for the years ended December 31, 2021 and 2020.

The Organization follows the accounting standards for contingencies in evaluating uncertain tax positions. This guidance prescribes recognition threshold principles for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. No liability has been recognized by the Organization for uncertain tax positions as of December 31, 2021 and 2020. The Organization is not currently under audit by any tax jurisdiction.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Costs that cannot be

EVERYONE HOME DC
Notes to Financial Statements
December 31, 2021 and 2020

specifically identified with a particular function and that benefit more than one functional category are allocated on the basis of estimates of the portion of time expended by the staff on the various functions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

New Accounting Pronouncements Not Yet Adopted

ASU 2019-01, *Leases* (Topic 842): In February 2016, the FASB issued new guidance over leases which requires that all leasing activity with initial terms in excess of twelve months be recognized on the balance sheet with a right of use asset and a lease liability. The standard will require entities to classify leases as either a finance or operating lease based upon the contractual terms. However, the cost of the lease will generally be allocated over the lease term on a straight-line basis and presented as a single expense on the statement of income. The new standard will be effective for periods beginning after December 15, 2021 and will require entities to use a modified retrospective approach to the earliest period presented. The Company is currently evaluating the reporting and economic implications of the new standard.

Note 3 Fair Value Measurements

Financial Accounting Standards Board (FASB) guidance for fair value measurement and disclosure provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB guidance are described as follows:

- *Level 1:* Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities; or
- *Level 2:* Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active; or

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Notes to Financial Statements
December 31, 2021 and 2020

- *Level 3:* Unobservable inputs that reflect the reporting entity’s own assumptions.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value.

Certificate of deposit: Valued at amortized cost, which approximates fair value or approximate fair value, based on estimates using current market rates offered for deposits with similar remaining maturities.

		2021			
		Fair Value Measurements Using Input Type			
		Level 1	Level 2	Level 3	Total
December 31, 2021					
Certificate of Deposit		\$ -	\$ 161,745	\$ -	\$ 161,745

		2020			
		Fair Value Measurements Using Input Type			
		Level 1	Level 2	Level 3	Total
December 31, 2020					
Certificate of Deposit		\$ -	\$ 160,848	\$ -	\$ 160,848

Note 4 PPP Loan

In April 2020, the Organization applied for and was approved for funding of \$249,050 pursuant to the Paycheck Protection Program (PPP), administered by the U.S. Small Business Administration. The PPP was authorized in the Coronavirus Aid, Relief and Economic Security (CARES) Act. The Organization received the proceeds on April 23, 2020. Subject to certain eligibility and spending requirements under the PPP, some or all of the loan amounts may be forgiven. The loan accrues interest at a rate of 1% and any portion of the principal and interest that is not forgiven is required to be paid by April 2022. As of December 31, 2020, the loan was not yet forgiven and is recorded as a liability on the statements of financial position in the amount of \$249,050. On March 12, 2021 the PPP loan was forgiven since the loan proceeds were used for qualifying expenses and was recorded as PPP loan forgiveness on the statements of activities.

EVERYONE HOME DC
Notes to Financial Statements
December 31, 2021 and 2020

Note 5 Property and Equipment

Property and equipment as of December 31, 2021 and 2020 comprised of the following:

	2021	2020
Land	\$ 29,869	\$ 29,869
Building and improvements	391,292	375,442
Furniture and fixtures	79,240	75,992
Fixed assets, total	500,401	481,303
Less, accumulated depreciation	(280,700)	(256,089)
	\$ 219,701	\$ 225,214

Depreciation expense for the years ended December 31, 2021 and 2020 was \$24,611 and \$22,275, respectively.

Note 6 Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following purposes as of December 31, 2021 and 2020:

	2021	2020
Hypothermia Supplies	\$ 2,500	\$ 2,500
Completion of Racial Equity Assessment	15,000	-
Shirley's Place staff support	2,500	-
Street Outreach general support	2,500	-
Shirley's Place repairs	2,500	-
Annual Shirley's Place support	30,000	-
Street Outreach hypothermia supplies	2,500	-
Total assets available for restricted use	\$ 57,500	\$ 2,500

Net assets with donor restrictions were released after satisfying the following purposes as of December 31, 2021 and 2020:

	2021	2020
Shirley's Place	\$ -	\$ 30,000
Net assets released from restrictions	\$ -	\$ 30,000

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Note 7 Retirement Plan

The Organization offers each employee the opportunity to contribute to 401(k) voluntary savings plans. Each employee may contribute up to the maximum allowable by the Internal Revenue Service annually from his or her own funds. The Organization does not contribute to the retirement plan on behalf of each employee.

Note 8 In-kind Contributions

The Organization received donated items for the programmatic activities. For the years ended December 31, 2021 and 2020, donated goods in the amount of \$57,806 and \$45,714, respectively, were included in client assistance on the statements of functional expenses.

Note 9 Rent Expense

On August 30, 2016, the Organization signed a lease agreement for office space with the National Association of Wheat Growers Foundation, Inc., a district of Columbia non-profit corporation. On August 5, 2021, the Organization signed a lease extension through June 30, 2028. From August 1, 2021 through September 30, 2022 lease payments will be 50% of base rent. Rent increases on a yearly basis by a factor of 3% per year. Future minimum lease payments under the extended lease are as follows:

<u>Lease Year</u>	<u>Annual Base Rent</u>
2022	122,440
2023	201,086
2024	207,118
2025	213,332
2026	219,732
Therafter	360,628
Total	<u><u>\$ 1,324,336</u></u>

Note 10 Contingency

Grants require the fulfillment of certain conditions as set forth in each grant instrument. Failure to fulfill those conditions could result in the return of funds to the grantors. Management deems this contingency remote since it believes it has complied with the terms of each grant.

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Note 11 Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, are consists of the following:

Cash and cash equivalents	\$ 1,412,389
Grant receivable	238,493
Investments	<u>161,745</u>
Total financial assets available within one year	1,812,627
Donor-imposed restrictions	<u>(57,500)</u>
2021 Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 1,755,127</u></u>

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures become due.

Note 12 Subsequent Events

Subsequent events were evaluated through October 6, 2022, which is the date the financial statements were available to be issued. No significant events have been identified that would require adjustment or disclosure in the accompanying financial statements.