FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2022

RICHARD CPAS

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Families Helping Families of Greater New Orleans, Inc.
Jefferson, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Families Helping Families of Greater New Orleans, Inc. (the Organization, a nonprofit corporation), which comprise the consolidated statements of financial position as of June 30, 2022, and 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Families Helping Families of Greater New Orleans, Inc. as of June 30, 2022, and 2021 and the consolidated 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 the 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 Consolidated Financial Statement 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

3421 N. Causeway Blvd. Suite 403 Metairie, LA 70002
(504) 313-8391 www.RICHARDCPAS.com

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 commissions, 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 judgement 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements as a whole. The Supplementary Information as listed in the table of contents is presented for additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated 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 December 28, 2022, on 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.

Richard CPAS

Metairie, Louisiana
December 28, 2022

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

A S S E T S

	2022	2021
CURRENT ASSETS		
Cash, unrestricted	$ 270,616	$ 311,988
Accounts receivable	68,547	66,747
Investments	614,696	661,003
Prepaid expenses	5,606	4,424
Total current assets	959,465	1,044,162
PROPERTY AND EQUIPMENT, NET	374,009	385,513
TOTAL ASSETS	$ 1,333,474	$ 1,429,675

L I A B I L I T I E S A N D N E T A S S E T S

	2022	2021
CURRENT LIABILITIES		
Accounts payable	$ 6,314	$ 5,005
Accrued payroll and related liabilities	15,135	13,877
Accrued annual leave	6,435	6,558
Current portion of note payable	12,855	12,255
Total current liabilities	40,739	37,695
NOTE PAYABLE, LONG TERM	273,091	285,945
Total liabilities	313,830	323,640
NET ASSETS		
Without donor restrictions	1,019,644	1,106,035
With donor restrictions	-	-
Total net assets	1,019,644	1,106,035
TOTAL LIABILITIES AND NET ASSETS	$ 1,333,474	$ 1,429,675

The accompanying notes are an integral part of these financial statements.

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022			2021		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
REVENUES						
Grant appropriations	$ 480,029	$ -	$ 480,029	$ 587,916	$ -	$ 587,916
Contributions	18,223	15,000	33,223	10,019	-	10,019
Investment return, net	(45,717)	-	(45,717)	98,331	-	98,331
Other income	5,435	-	5,435	71,575	-	71,575
	457,970	15,000	472,970	767,841	-	767,841
Net assets released from restrictions	15,000	(15,000)	-	-	-	-
Total revenues and other support	472,970	-	472,970	767,841	-	767,841
EXPENSES						
Program expenses	414,575	-	414,575	478,525	-	478,525
Fundraising expenses	5,299	-	5,299	2,312	-	2,312
Management and general	139,487	-	139,487	81,556	-	81,556
Total expenses	559,361	-	559,361	562,393	-	562,393
CHANGE IN NET ASSETS	(86,391)	-	(86,391)	205,448	-	205,448
NET ASSETS, BEGINNING OF THE YEAR	1,106,035	-	1,106,035	900,587	-	900,587
NET ASSETS, END OF THE YEAR	$ 1,019,644	$ -	$ 1,019,644	$ 1,106,035	$ -	$ 1,106,035

The accompanying notes are an integral part of these financial statements.

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022				2021			
	Program Services - Informational and Educational	Fundraising	Support Services - Management and General	Total	Program Services - Informational and Educational	Fundraising	Support Services - Management and General	Total
Personnel costs	$ 356,879	$ 4,965	$ 86,766	$ 448,610	$ 374,756	$ 1,929	$ 50,607	$ 427,292
Contract services	31,611	102	6,796	38,509	50,427	323	250	51,000
Occupancy	-	-	5,491	5,491	5,317	-	-	5,317
Supplies	1,429	-	997	2,426	8,606	14	-	8,620
Other expenses	9,401	139	3,119	12,659	4,822	14	1,192	6,028
Travel	3,057	-	-	3,057	88	-	-	88
Insurance	3,470	50	7,519	11,039	6,005	-	3,410	9,415
Printing	1,736	1	164	1,901	7,184	32	-	7,216
Telephone	6,109	13	2,846	8,968	9,997	-	-	9,997
Conference expenses	-	-	-	-	10,005	-	-	10,005
Depreciation	-	-	11,504	11,504	-	-	11,504	11,504
Postage	883	29	264	1,176	1,318	-	-	1,318
Interest expense	-	-	14,021	14,021	-	-	14,593	14,593
	$ 414,575	$ 5,299	$ 139,487	$ 559,361	$ 478,525	$ 2,312	$ 81,556	$ 562,393

The accompanying notes are an integral part of these financial statements.

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (86,391)	$ 205,448
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	11,504	11,504
Unrealized loss (gain) on investments	73,857	(74,664)
Changes in operating assets and liabilities:		
Accounts receivable	(1,800)	(20,173)
Prepaid expenses	(1,182)	247
Accounts payable	1,309	771
Refundable advance	-	(66,600)
Payroll and related liabilities	1,258	(3,242)
Accrued annual leave	(123)	129
Net cash provided by (used in) operating activities	(1,568)	53,420
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(345,468)	(159,635)
Proceeds from sale of investments	317,918	137,103
Net cash used in investing activities	(27,550)	(22,532)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on notes payable	(12,254)	(11,682)
Net cash used in financing activities	(12,254)	(11,682)
Net change in cash and cash equivalents	(41,372)	19,206
Cash and cash equivalents, beginning of year	311,988	292,782
Cash and cash equivalents, end of year	$ 270,616	$ 311,988
SUPPLEMENTAL DISCLOSURE		
Cash paid for interest	$ 14,021	$ 14,593

The accompanying notes are an integral part of these financial statements.

1. Summary of Significant Accounting Policies

History and Organization

Families Helping Families of Greater New Orleans, Inc. (the Organization) is a nonprofit corporation organized under the laws of the State of Louisiana. The Organization's single program is to provide informational support and educational services to area families who have family members with special needs (disabilities) through a coordinated network of resources, support, and services.

Program Description

The Organization's mission is to empower individuals with disabilities and their families to have high expectations for themselves or their loved ones with a disability through effective advocacy. Individuals with disabilities' core expectations should be an inclusive education, independent living, and employment. The Organization accomplishes this through three primary services: 1) Peer-to-Peer support is recognized as an effective evidence-based practice that strengthens a network people belong to and depend on for human service needs. The Organization offers this support through their trained, knowledgeable staff with the same or similar lived experiences. 2) Training is an important key for individuals to gain the knowledge they need to become effective advocates. Teaching individuals about the laws that govern the services they are entitled to is critical to successful advocacy. The Organization uses Malcolm Knowles' Theory on Adult Learning as the foundation for all training development. Using Knowles' assumptions about adult learners motivates individuals with disabilities and their loved ones to engage in advocacy opportunities. 3) The Organization provides information and outreach to individuals with disabilities and their families who often feel isolated because they are unaware of others that are experiencing the same thing. This is provided at in-person events, through literature provided to community agencies, medical staff, and others providing needed services to this population, website, social media, e-blast, and more.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles and accordingly reflect all significant receivables, payables, and other liabilities.

Consolidated Financial Statements

The consolidated financial statements include the accounts of Families Helping Families of Greater New Orleans, Inc., and its supporting organization 700 Hickory, Inc. 700 Hickory, Inc. was created during the year ended June 30, 2018, to facilitate the purchase of land and building in Jefferson, Louisiana. All significant intercompany transactions and accounts are eliminated.

1. Summary of Significant Accounting Policies (continued)

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 available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board may designate, from net assets without donor restrictions net assets for an operating reserve or board-designated endowment.

Net assets with donor restrictions – Net assets subject to donor- (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Organization held no donor restricted funds as of June 30, 2022, and 2021.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents including money markets held in investment trading accounts managed by third parties are classified as investments.

Accounts receivable

Accounts receivable are reported at the amount management expects to collect from outstanding balances. Differences between the amount due and the amount management expects to collect are reported in the statements of activities of the year in which those differences are determined with the offsetting entry to a valuation allowance for accounts receivable. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Investments

The Organization reports investments in equity securities with readily determinable fair values and investments in debt securities at the fair values in the consolidated statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statements of activities. Interest income and dividend income are recorded on the accrual basis.

1. Summary of Significant Accounting Policies (continued)

Property and Equipment

All acquisitions of property and equipment in excess of $1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the following useful lives:

Building	30 years
Equipment	5-7 years

Property and equipment are reviewed for impairment if the use of the asset significantly changes, or another indicator of possible impairment is noted. If the carrying amount for the asset is not recoverable, the value is written down to the asset's fair value.

Accrued Annual Leave

The Organization accrues accumulated unpaid leave when earned by the employee. Generally annual leave must be taken during the fiscal year earned. However, annual leave up to certain limits may be carried over per employee per fiscal year. Eligible employees who terminate employment with the Organization are reimbursed for each day of accumulated annual leave.

Revenue

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as net assets without restrictions if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with restrictions are reclassified to net assets without restrictions and reported in the consolidated statements of activities as net assets released from restrictions

Grant revenue is recognized as it is earned in accordance with the contractual terms.

Donated goods and services

Volunteers may contribute time to the Organization’s program services and administrative activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet the recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The Organization records donated professional services at the respective fair values of the services rendered. No significant contributions of such goods or services were received during the years ended June 30, 2022, and 2021.

1. Summary of Significant Accounting Policies (continued)

Functional allocation of expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs, primarily salaries, benefits, and rent expenses have been allocated among the programs and supporting services benefited. The allocation between functions is based on time spent by specific employees as estimated by management. All other costs are charged directly to the appropriate functional category.

Income tax status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization had no unrelated business activity during the years ended June 30, 2022, and 2020. Accordingly, no provision for income taxes is included in the financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

700 Hickory, Inc. is exempt from federal income tax under Section 501(c)2 of the Internal Revenue Code as a title holding corporation. 700 Hickory, Inc. has no unrelated business activity during the years ended June 30, 2022, and 2021. Accordingly, no provision for income taxes is included in the consolidated financial statements.

Use of estimates

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

New Accounting Pronouncements – Adopted

In September 2020, the FASB issued ASU 2020-07 on Topic 958, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. The FASB ASU requires the new standard to be applied retrospectively, with amendments taking effect for the Organization's year ending June 30, 2022. The adoption of this standard did not have a material impact on the Organization's financial statements.

1. Summary of Significant Accounting Policies (continued)

New Accounting Pronouncements – Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, Leases, which requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the balance sheet as well as additional disclosures. In July 2018, the FASB issued ASU 2018-11, Leases (Topic 842): Targeted Improvements, to simplify the lease standard's implementation. The amended guidance relieves businesses and other organizations of the requirement to present prior comparative years' results when they adopt the new lease standard. On June 3, 2020, the FASB deferred the effective date of this standard for certain entities. This standard is effective for the Organization's year ending June 30, 2023. The Organization is currently assessing the impact of these pronouncements on its financial statements.

2. Liquidity and Availability

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

	2022	2021
Cash and cash equivalents	$ 270,616	$ 311,988
Accounts receivable	68,547	66,747
Investments	614,696	661,003
	$ 953,859	$ 1,039,738

As part of the Organization's liquidity management plan, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

3. Accounts Receivable

The Organization has the following accounts receivable at June 30, 2022 and 2021.

	2022	2021
U.S. Department of Education Parent Training	$ 22,667	$ 24,344
Louisiana Department of Health & Hospitals	16,762	16,775
Louisiana State Department of Education	11,803	10,400
Jefferson Parish Human Services Authority	7,690	6,655
Alabama Parent Education Center, Inc.	7,125	8,223
Louisiana Policy Institute for Children	1,450	-
Bayou Land Families Helping Families	1,050	350
	$ 68,547	$ 66,747

4. Investments

The Organization has the following investments at June 30, 2022 and 2021.

	2022	2021
Common stocks	$ 200,432	$ 271,518
Corporate bonds	246,496	25,348
Exchange traded funds	85,425	306,022
Money market funds	82,343	58,115
Total Investments	$ 614,696	$ 661,003

The Organization has the following investment return, net for the years ended June 30, 2022, and 2021.

	2022	2021
Interest income	$ 2,949	$ 5,331
Dividend income	5,930	4,773
Realized gain	27,703	21,078
Unrealized gain (loss)	(73,857)	74,664
Investment fees	(8,442)	(7,515)
Investment return, net	$ (45,717)	$ 98,331

5. Fair Value Measurements

Generally accepted accounting principles (GAAP) provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to adjusted quoted prices in active markets for identical assets or liabilities (level 1 investments) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under the framework are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access at the measurement date.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement determined using model-based techniques that include option pricing model, discounted cash flow models, and similar techniques.

5. Fair Value Measurements (continued)

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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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.

Common stocks, Exchange traded funds, and Money market funds: Valued at the closing price reported on the active market on which the individual securities are traded.

Corporate bonds: Valued on the basis of prices from an orderly transaction between market participants provided by reputable dealers or pricing services. In determining the value of an investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices and market transactions in comparable investments and various relationships between investments.

The following table sets forth by level, within the fair value hierarchy, the Organization's investment assets at fair value as of June 30, 2022, and 2021. There have been no changes in the methodologies used at June 30, 2022.

Balance at June 30, 2022	Level 1	Level 2	Level 3	Total
Common stocks	$ 200,432	$ -	$ -	$ 200,432
Corporate bonds	-	246,496	-	246,496
Exchange traded funds	85,425	-	-	85,425
Money market funds	82,343	-	-	82,343
	$ 368,200	$ 246,496	$ -	$ 614,696

Balance at June 30, 2021	Level 1	Level 2	Level 3	Total
Common stocks	$ 271,518	$ -	$ -	$ 271,518
Corporate bonds	-	25,348	-	25,348
Exchange traded funds	306,022	-	-	306,022
Money market funds	58,115	-	-	58,115
	$ 635,655	$ 25,348	$ -	$ 661,003

6. Property and Equipment

The Organization has the following property and equipment at June 30, 2022 and 2021.

	2022	2021
Land	$ 92,800	$ 92,800
Building	329,200	329,200
Equipment	15,237	15,237
Total historic cost	437,237	437,237
less: accumulated depreciation	(63,228)	(51,724)
Property and equipment, net	$ 374,009	$ 385,513

During the year ended June 30, 2018, 700 Hickory, Inc. purchased land and building for $422,000 to house the operations of the Organization. Depreciation expense of $11,504 and $11,504 is included in the consolidated statements of functional expenses for the years then ended June 30, 2022, and 2021, respectively.

7. Note Payable

The Organization has the following note payable at June 30, 2022 and 2021.

	2022	2021
4.725% Mortgage payable to financial institution, secured by land and building, due in monthly installments of $2,190 through November 2037.	$ 285,946	$ 298,200
Total	285,946	298,200
Less: Current Portion	(12,855)	(12,255)
Total notes payable, long term	$ 273,091	$ 285,945

7. Note Payable (continued)

Principal payments required in future years as of June 30, 2022, are as follows:

Years ending June 30	Amount
2023	$ 12,855
2024	13,450
2025	14,143
2026	14,836
2027	15,562
2028-2032	89,968
2033-2037	125,132
Total	$ 285,946

8. Income Taxes

The Organization is exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and applicable state law.

The Organization may recognize the tax benefit from a tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The Organization has analyzed its tax positions taken for filings with the Internal Revenue Service and the State of Louisiana. The Organization believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations, or cash flows.

9. Concentrations of Credit Risk

The Organization maintains its cash and cash equivalent balances in one financial institution. Custodial credit risk is the risk that in the event of a bank failure, the Organization’s deposits may not be returned to them. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At June 30, 2022 and 2021, the amounts on deposit by the Organization were covered by FDIC insurance.

10. Contingency

The Organization participates in a number of state and federal programs which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable at June 30, 2022 and 2021 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying consolidated financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Organization.

11. Economic Dependency

The Organization receives the majority of its revenue in the form of grants from the federal government and the State of Louisiana. The grant amounts are generally appropriated each year by the respective grantor agency. If significant budget cuts are made at the federal or state level, the amount of funds the Organization receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will significantly affect the amount of funds the Organization will receive in fiscal year 2023 relating to its federal and state grant awards.

12. Board of Directors Compensation

The Board of Directors serves and directs Families Helping Families of Greater New Orleans, Inc. on a voluntary basis. The Board does not receive compensation.

13. Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses including the Organization. The coronavirus and actions taken to mitigate it have had an adverse impact on the economies and financial markets in the local area and around the world.

The Organization has been primarily working remotely since March 2020. The administrative staff work in the office as needed and there has been no reduction in services or support to families. The Organization continues to follow the federal, state, and local guidance on best practices for operating and delivery of services. The Organization is uncertain how long these conditions will last and what the complete financial effect will be.

14. U.S. Small Business Administration Paycheck Protection Program Loan

On May 1, 2020, the Organization received a U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) loan in the amount of $66,600 and is recorded on the statement of financial position as a refundable advance at June 30, 2020. This loan is potentially forgivable if the Organization meets certain criteria provided by the SBA. The loan has an interest rate of 1% and is due five years from the date of origination. The Paycheck Protection Program loan does not require any collateral or personal guarantees associated with this loan. On May 25, 2021, the loan was forgiven, and the Organization recorded $66,600 in other income on the statement of activities.

15. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 28, 2022, and determined no item requires disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022

A S S E T S

	Families Helping Families of Greater New Orleans, Inc.	700 Hickory, Inc.	Eliminations	Consolidated Total
CURRENT ASSETS				
Cash, unrestricted	$ 248,008	$ 22,608	$ -	$ 270,616
Accounts receivable	68,547	-	-	68,547
Investments	614,696	-	-	614,696
Prepaid expenses	10,606	-	(5,000)	5,606
Total current assets	941,857	22,608	(5,000)	959,465
PROPERTY AND EQUIPMENT, NET	1,388	372,621	-	374,009
DUE FROM RELATED ENTITY	110,619	-	(110,619)	-
TOTAL ASSETS	$ 1,053,864	$ 395,229	$ (115,619)	$ 1,333,474

L I A B I L I T I E S A N D N E T A S S E T S

	Families Helping Families of Greater New Orleans, Inc.	700 Hickory, Inc.	Eliminations	Consolidated Total
CURRENT LIABILITIES				
Accounts payable	$ 6,314	$ -	$ -	$ 6,314
Accrued payroll and related liabilities	15,135	-	-	15,135
Accrued annual leave	6,435	-	-	6,435
Current portion of note payable	-	12,855	-	12,855
Total current liabilities	27,884	12,855	-	40,739
NON-CURRENT LIABILITIES				
Note payable	-	273,091	-	273,091
Due to related entity	-	110,619	(110,619)	-
Security deposit	-	5,000	(5,000)	-
Total non-current liabilities	-	388,710	(115,619)	273,091
Total liabilities	27,884	401,565	(115,619)	313,830
NET ASSETS				
Without donor restrictions	1,025,980	(6,336)	-	1,019,644
With donor restrictions	-	-	-	-
Total net assets	1,025,980	(6,336)	-	1,019,644
TOTAL LIABILITIES AND NET ASSETS	$ 1,053,864	$ 395,229	$ (115,619)	$ 1,333,474

See accompanying independent auditors' report

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Families Helping Families of Greater New Orleans, Inc.	700 Hickory, Inc.	Eliminations	Consolidated Total
REVENUES AND OTHER SUPPORT				
Grant appropriations	$ 480,029	$ -	$ -	$ 480,029
Contributions	33,223	-	-	33,223
Investment return, net	(45,756)	39	-	(45,717)
Lease income	-	36,000	(36,000)	-
Other income	5,435	-	-	5,435
Total revenues and other support	472,931	36,039	(36,000)	472,970
EXPENSES				
Program expenses	429,992	-	(15,417)	414,575
Fundraising expenses	5,299	-	-	5,299
Management and general	123,332	36,738	(20,583)	139,487
Total expenses	558,623	36,738	(36,000)	559,361
CHANGE IN NET ASSETS	(85,692)	(699)	-	(86,391)
NET ASSETS, BEGINNING OF THE YEAR	1,111,672	(5,637)	-	1,106,035
NET ASSETS, END OF THE YEAR	$ 1,025,980	$ (6,336)	$ -	$ 1,019,644

See accompanying independent auditors' report

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO THE AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2022

Agency Head Name: Mary Jacob, Executive Director

Salary	$ 85,596
Benefits - Healthcare	600
Benefits - Retirement	-
Deferred Compensation	-
Workers Compensation	-
Benefits - Life Insurance	-
Benefits - Long Term Disability	-
Benefits - FICA & Medicare	6,548
Car Allowance	-
Vehicle Provided by the Agency	-
Cell Phone	571
Dues	-
Vehicle Rental	-
Per Diem	-
Reimbursements	116
Travel	85
Registration Fees	-
Conference Travel	2,587
Unvouchered Expenses	-
Meetings and Conventions	-
Other	-
Total	$ 96,103

See accompanying independent auditors' report

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*

The Board of Directors
Families Helping Families of Greater New Orleans, Inc.
Jefferson, Louisiana

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 financial statements of Families Helping Families of Greater New Orleans, Inc. (the Organization), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 28, 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 opinions 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 that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

3421 N. Causeway Blvd. Suite 403 Metairie, LA 70002
(504) 313-8391 www.RICHARDCPAS.com

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 determination of 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richard CPAS

Metairie, Louisiana
December 28, 2022