FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2024

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, 2024 and 2023, 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, 2024 and 2023 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.

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Auditor's Responsibilities for the Audit of the Consolidated 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 30, 2024, 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 30, 2024

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and cash equivalents, unrestricted	$ 322,545	$ 323,177
Accounts receivable	49,017	74,027
Investments	736,158	649,240
Prepaid expenses	8,361	2,204
Total current assets	1,116,081	1,048,648
PROPERTY AND EQUIPMENT, NET	361,406	362,505
TOTAL ASSETS	$ 1,477,487	$ 1,411,153

LIABILITIES AND NET ASSETS

	2024	2023
CURRENT LIABILITIES		
Accounts payable	$ 13,175	$ 6,232
Accrued payroll and related liabilities	11,947	12,046
Accrued annual leave	6,519	5,701
Current portion of note payable	14,143	13,450
Total current liabilities	45,784	37,429
NOTE PAYABLE, LONG TERM	245,501	259,643
Total liabilities	291,285	297,072
NET ASSETS		
Without donor restrictions	1,186,202	1,114,081
With donor restrictions	-	-
Total net assets	1,186,202	1,114,081
TOTAL LIABILITIES AND NET ASSETS	$ 1,477,487	$ 1,411,153

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, 2024 AND 2023

	2024			2023		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
REVENUES						
Grant appropriations	$ 332,132	$ -	$ 332,132	$ 376,843	$ -	$ 376,843
Contributions	25,233	-	25,233	20,413	-	20,413
Service fees	157,658	-	157,658	178,790		178,790
Investment return, net	87,470	-	87,470	35,149	-	35,149
Other income	8,521	-	8,521	9,847	-	9,847
	611,014	-	611,014	621,042	-	621,042
Net assets released from restrictions	-	-	-	-	-	-
Total revenues and other support	611,014	-	611,014	621,042	-	621,042
EXPENSES						
Program expenses	372,901	-	372,901	344,417	-	344,417
Fundraising expenses	6,245	-	6,245	10,060	-	10,060
Management and general	159,747	-	159,747	172,128	-	172,128
Total expenses	538,893	-	538,893	526,605	-	526,605
CHANGE IN NET ASSETS	72,121	-	72,121	94,437	-	94,437
NET ASSETS, BEGINNING OF THE YEAR	1,114,081	-	1,114,081	1,019,644	-	1,019,644
NET ASSETS, END OF THE YEAR	$ 1,186,202	$ -	$ 1,186,202	$ 1,114,081	$ -	$ 1,114,081

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, 2024 AND 2023

	2024				2023			
	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	$ 300,517	$ 5,947	$ 67,948	$ 374,412	$ 256,770	$ 8,309	$ 113,763	$ 378,842
Contract services	36,444	157	21,648	58,249	43,157	1,078	9,957	54,192
Occupancy	-	-	6,907	6,907	-	-	10,250	10,250
Supplies	2,560	-	4,195	6,755	3,023	29	988	4,040
Other expenses	5,163	105	19,361	24,629	15,017	235	1,967	17,219
Travel	8,945	-	2,359	11,304	13,629	91	457	14,177
Insurance	4,765	20	8,846	13,631	4,850	99	8,173	13,122
Printing	6,052	-	1,249	7,301	-	-	-	-
Telephone	8,256	-	2,188	10,444	7,386	166	1,554	9,106
Depreciation	-	-	11,863	11,863	-	-	11,504	11,504
Postage	199	16	356	571	585	53	94	732
Interest expense	-	-	12,827	12,827	-	-	13,421	13,421
	$ 372,901	$ 6,245	$ 159,747	$ 538,893	$ 344,417	$ 10,060	$ 172,128	$ 526,605

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, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 72,121	$ 94,437
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	11,863	11,504
Unrealized gain on investments	(70,897)	(26,967)
Changes in operating assets and liabilities:		
Accounts receivable	25,010	(5,480)
Prepaid expenses	(6,157)	3,402
Accounts payable	6,943	(82)
Payroll and related liabilities	(99)	(3,089)
Accrued annual leave	818	(734)
Net cash provided by operating activities	39,602	72,991
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and building improvements	(10,764)	-
Purchase of investments	(238,710)	(183,545)
Proceeds from sale of investments	222,689	175,968
Net cash used in investing activities	(26,785)	(7,577)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on notes payable	(13,449)	(12,853)
Net cash used in financing activities	(13,449)	(12,853)
Net change in cash and cash equivalents	(632)	52,561
Cash and cash equivalents, beginning of year	323,177	270,616
Cash and cash equivalents, end of year	$ 322,545	$ 323,177
SUPPLEMENTAL DISCLOSURE		
Cash paid for interest	$ 12,827	$ 13,421

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, 2024 and 2023.

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.

Allowance for Credit Losses

An allowance for credit losses is an estimate based upon historical account write-off trends, facts about the current financial condition of the debtor, forecasts of future operating results based upon current trends and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Grants receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. At June 30, 2024, and 2023, the allowance for credit losses amounts were zero.

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 an 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 earned in accordance with the contractual terms. The Organization recognizes revenue from contractual fees when the programs are delivered.

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, 2024 and 2023.

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 personnel costs, and insurance 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, 2024, and 2023. 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, 2024 and 2023. 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

Effective July 1, 2022, the Organization adopted Accounting Standards Update (ASU) No. 2016-02, *Leases* (Topic 842), and all related amendments using the modified retrospective method. This guidance requires that right-of-use (ROU) assets and lease liabilities be recorded on the balance sheet. The Organization elected the practical expedient relief package allowed by the new standard, which does not require the reassessment of (1) whether existing contracts contain a lease, (2) the lease classification or (3) unamortized initial direct costs for existing leases. Additionally, the Organization made accounting policy elections for the exclusion of short-term leases (leases with an initial term of 12 months or less and which do not include a purchase option that the Organization is reasonably certain to exercise) from the balance sheet presentation. The Organization had no operating or finance leases as of June 30, 2024 with terms of greater than 12 months.

1. Summary of Significant Accounting Policies (continued)

New Accounting Pronouncements – Adopted (continued)

The Organization does not recognize ROU assets and lease liabilities on short term leases but recognizes lease expense for these leases on a straight-line basis over the lease terms and any variable lease payments in the period in which obligation for those payments is incurred. See Note 13 to these financial statements for further details of these leases. In March 2023, ASU 2023-01, *Leases* (Topic 842) *Common Control Arrangements* was released. The ASU provides a practical expedient for private companies to use written terms and conditions of a common control arrangement to determine (i) whether a lease exists and, if so (ii) the classification of and accounting for that lease. In addition , the ASU requires entities under common control to amortize the associated leasehold improvements over the economic life of the improvements (regardless of the lease term) as long as the lessee controls the use of the underlying asset through a lease. In addition, the ASU requires the lessee to account for leasehold improvements as a transfer between entities under common control through an adjustment to equity if, and when, the lessee no longer controls the use of the underlying asset. The Organization has adopted this ASU retrospectively to the beginning of the period in which the Organization adopted Leases Topic 842 (July 1, 2022).

In June 2016, the Financial Accounting Standards Board (FASB) issued guidance in Accounting Standards Codification 326 (FASB ASC 326) which significantly changed how entities will measure credit losses. Prior to the adoption of ASC 326, the Organization's allowance was based upon an analysis of past credit history, as well as the consideration of expected trends based upon characteristics of the accounts and general economic conditions. Under the application of ASC 326, the Organization's historical credit loss experience provides the basis for the estimation of expected credit losses. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. The Organization adopted the standard effective July 1, 2023. The adoption of this standard had no material impact on the financial statements of the Organization.

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:

	2024	2023
Cash and cash equivalents	$ 322,545	$ 323,177
Accounts receivable	49,017	74,027
Investments	736,158	649,240
	$ 1,107,720	$ 1,046,444

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, 2024 and 2023.

		2024		2023
U.S. Department of Education Parent Training	$	21,286	$	41,065
Louisiana Department of Health & Hospitals		16,750		17,050
Louisiana State Department of Education		6,588		7,125
Jefferson Parish Human Services Authority		4,393		4,900
Alabama Parent Education Center, Inc.		-	-	3,887
	$	49,017	$	74,027

4. Investments

The Organization has the following investments at June 30, 2024 and 2023.

		2024		2023
Common stocks	$	243,562	$	187,014
Corporate bonds		229,354		282,742
Money market funds		127,379		83,723
Exchange traded funds		135,863		95,761
Total Investments	$	736,158	$	649,240

The Organization has the following investment return, net for the years ended June 30, 2024, and 2023.

		2024		2023
Interest income	$	13,297	$	11,140
Dividend income		4,909		4,762
Realized gain (loss)		6,798		(81)
Unrealized gain		70,897		26,967
Investment fees		(8,431)		(7,639)
Investment return, net	$	87,470	$	35,149

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.

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.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of our investment assets are classified within Level 1 because they comprise exchange traded funds with readily determinable fair values based on daily redemption values. The Organization has no Level 3 investments.

5. Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's investment assets at fair value as of June 30, 2024 and 2023.

Balance at June 30, 2024	Level 1	Level 2	Level 3	Total
Common stocks	$ 243,562	$ -	$ -	$ 243,562
Corporate bonds	-	229,354	-	229,354
Money market funds	127,379	-	-	127,379
Exchange traded funds	135,863	-	-	135,863
	$ 506,804	$ 229,354	$ -	$ 736,158

Balance at June 30, 2023	Level 1	Level 2	Level 3	Total
Common stocks	$ 187,014	$ -	$ -	$ 187,014
Corporate bonds	-	282,742	-	282,742
Money market funds	83,723	-	-	83,723
Exchange traded funds	95,761	-	-	95,761
	$ 366,498	$ 282,742	$ -	$ 649,240

6. Property and Equipment

The Organization has the following property and equipment at June 30, 2024 and 2023.

	2024	2023
Land	$ 92,800	$ 92,800
Building	339,964	329,200
Equipment	15,238	15,238
Total historic cost	448,002	437,238
less: accumulated depreciation	(86,596)	(74,733)
Property and equipment, net	$ 361,406	$ 362,505

During the year ended June 30, 2018, 700 Hickory, Inc. purchased land and a building for $422,000 to house the operations of the Organization. Depreciation expense of $11,863 and $11,504 is included in the consolidated statements of functional expenses for the years then ended June 30, 2024 and 2023, respectively.

6. Note Payable

The Organization has the following note payable at June 30, 2024 and 2023.

	2024	2023
4.725% Mortgage payable to financial institution, secured by land and building, due in monthly installments of $2,190 through November 2037.	$ 259,644	$ 273,093
Total	259,644	273,093
Less: Current Portion	(14,143)	(13,450)
Total notes payable, long term	$ 245,501	$ 259,643

Principal payments required in future years as of June 30, 2024, are as follows:

Years ending June 30	Amount
2025	$ 14,143
2026	14,836
2027	15,562
2028	16,297
2029	17,123
2030-2034	99,025
2035-2037	82,658
Total	$ 259,644

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, 2024 and 2023, the Organization held $58,532 and $42,989 in excess of FDIC insurance limits, respectively. To date, the Organization has not experienced losses in any of these accounts.

Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies, and foundations supportive of the Organization's mission.

Investment performance is monitored by the Organization and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

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, 2024 and 2023 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 2025 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. Related Party Transaction

The Organization leases office facilities from a commonly controlled entity (700 Hickory, Inc.) under a short-term lease agreement. The lease term is 12 months. Lease expense on Families Helping Families of Greater New Orleans, Inc. of $36,000 for the years ended June 30, 2024 and 2023, respectively, is eliminated in the consolidated financial statements.

14. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 30, 2024, 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, 2024

A S S E T S

	Families Helping Families of Greater New Orleans, Inc.	700 Hickory, Inc.	Eliminations	Consolidated Total
CURRENT ASSETS				
Cash and cash equivalents, unrestricted	$ 309,906	$ 12,639	$ -	$ 322,545
Accounts receivable	49,017	-	-	49,017
Investments	736,158	-	-	736,158
Prepaid expenses	11,353	2,008	(5,000)	8,361
Total current assets	1,106,434	14,647	(5,000)	1,116,081
PROPERTY AND EQUIPMENT, NET	326	361,080	-	361,406
DUE FROM RELATED ENTITY	124,107	-	(124,107)	-
TOTAL ASSETS	$ 1,230,867	$ 375,727	$ (129,107)	$ 1,477,487

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	$ 13,175	$ -	$ -	$ 13,175
Accrued payroll and related liabilities	11,947	-	-	11,947
Accrued annual leave	6,519	-	-	6,519
Current portion of note payable	-	14,143	-	14,143
Total current liabilities	31,641	14,143	-	45,784
NON-CURRENT LIABILITIES				
Note payable	-	245,501	-	245,501
Due to related entity	-	124,107	(124,107)	-
Security deposit	-	5,000	(5,000)	-
Total non-current liabilities	-	374,608	(129,107)	245,501
Total liabilities	31,641	388,751	(129,107)	291,285
NET ASSETS				
Without donor restrictions	1,199,226	(13,024)	-	1,186,202
With donor restrictions	-	-	-	-
Total net assets	1,199,226	(13,024)	-	1,186,202
TOTAL LIABILITIES AND NET ASSETS	$ 1,230,867	$ 375,727	$ (129,107)	$ 1,477,487

See accompanying independent auditor's report.

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Families Helping Families of Greater New Orleans, Inc.	700 Hickory, Inc.	Eliminations	Consolidated Total
REVENUES AND OTHER SUPPORT				
Grant appropriations	$ 332,132	$ -	$ -	$ 332,132
Contributions	25,233	-	-	25,233
Service fees	157,658	-	-	157,658
Investment return, net	87,432	38	-	87,470
Lease income	-	36,000	(36,000)	-
Other income	8,521	-	-	8,521
Total revenues and other support	610,976	36,038	(36,000)	611,014
EXPENSES				
Program expenses	400,981	-	(28,080)	372,901
Fundraising expenses	6,245	-	-	6,245
Management and general	130,725	36,942	(7,920)	159,747
Total expenses	537,951	36,942	(36,000)	538,893
CHANGE IN NET ASSETS	73,025	(904)	-	72,121
NET ASSETS, BEGINNING OF THE YEAR	1,126,201	(12,120)	-	1,114,081
NET ASSETS, END OF THE YEAR	$ 1,199,226	$ (13,024)	$ -	$ 1,186,202

See accompanying independent auditor's 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, 2024

Agency Head Name:	Mary Jacob, Executive Director	Dale Liuzza, Executive Director
Dates:	July 1, 2023 - June 28, 2024	June 24, 2024 - June 30, 2024
Purpose	Amount	Amount
Salary	$ 85,950	$ 1,721
Benefits - insurance	7,557	132
Reimbursements	599	-
Cell Phone	626	-
Per Diem	1,667	-
Conference Travel	309	-
Other	4,903	-
	$ 101,611	$ 1,853

Louisiana Revised Statute 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees to be reported as a supplemental report within the financial statement of local government and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that received public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

See independent auditor's report.

<u>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*</u>

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, 2024, 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 30, 2024.

<u>Report on Internal Control over Financial Reporting</u>

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.

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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 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 30, 2024

FAMILIES HELPING FAMILIES OF GREATER NEW ORLEANS, INC.

SUMMARY SCHEDULE FINDINGS AND RESPONSES

FOR THE YEAR ENDED JUNE 30, 2024

1. **Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified:	None reported
• Significant deficiency(ies) identified that are not considered to be material weakness	None reported
Noncompliance material to the financial statements:	No
Other matter:	No

2. **Findings relating to the basic financial statements reported in accordance with *Government Auditing Standards***

None reported.

3. **Status of Prior Year's Findings and Responses**

None reported.