



HELPMATE, INC.

Asheville, North Carolina

Financial Statements and
Supplementary Information

Years Ended June 30, 2021 and 2020

HELPMATE, INC.

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Terri Brne
Beverly Brignolo
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HELPMATE, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Helpmate, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Helpmate, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 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.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Helpmate, Inc.
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Helpmate, Inc. as of June 30, 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.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2021, on our consideration of Helpmate, Inc.'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 Helpmate, Inc.'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 Helpmate, Inc.'s internal control over financial reporting and compliance.

CARTER, P.C.

Asheville, North Carolina
December 7, 2021

HELPMATE, INC.

Statements of Financial Position
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current assets:		
Cash and equivalents	\$ 598,454	\$ 652,964
Grants receivable	561,341	855,426
Sales tax receivable	41,979	16,779
Prepaid expenses	<u>7,815</u>	<u>6,598</u>
Total current assets	1,209,589	1,531,767
Restricted cash	50,000	101,248
Beneficial interest in endowment fund	53,515	
Property and equipment	<u>1,084,879</u>	<u>1,003,981</u>
Total assets	<u>\$ 2,397,983</u>	<u>\$ 2,636,996</u>
Liabilities and net assets		
Current liabilities:		
Current maturities of long-term debt	\$	\$ 113,145
Accounts payable	26,765	12,572
Accrued salaries and payroll taxes	89,973	38,946
Accrued compensated absences	80,158	69,067
Unearned revenue	<u>21,469</u>	<u>144,410</u>
Total current liabilities	218,365	378,140
Long-term debt, net of current maturities		<u>181,467</u>
Total liabilities	<u>218,365</u>	<u>559,607</u>
Net assets:		
Without donor restrictions	1,984,479	1,682,026
With donor restrictions	<u>195,139</u>	<u>395,363</u>
Total net assets	<u>2,179,618</u>	<u>2,077,389</u>
Total liabilities and net assets	<u>\$ 2,397,983</u>	<u>\$ 2,636,996</u>

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

HELPMATE, INC.

Statement of Activities Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support			
Government grants	\$ 2,643,135	\$	\$ 2,643,135
Foundation grants	118,029	68,314	186,343
United Way	37,259	44,391	81,650
Contributions	443,438	3,000	446,438
In-kind contributions	190,783		190,783
Fundraising events, net	144,080		144,080
Investment income, net	309		309
Other income	58		58
Net assets released from restrictions	<u>315,929</u>	<u>(315,929)</u>	
Total revenues and other support	<u>3,893,020</u>	<u>(200,224)</u>	<u>3,692,796</u>
Expenses			
Program services	3,229,268		3,229,268
Supporting services	<u>359,884</u>		<u>359,884</u>
Total expenses	<u>3,589,152</u>		<u>3,589,152</u>
Increase (decrease) in net assets before other gains (losses)	<u>303,868</u>	<u>(200,224)</u>	<u>103,644</u>
Other gains (losses)			
Gain on beneficial interest in endowment fund	2,428		2,428
Loss on disposal of property and equipment	<u>(3,843)</u>		<u>(3,843)</u>
Total other gains (losses)	<u>(1,415)</u>		<u>(1,415)</u>
Increase (decrease) in net assets	302,453	(200,224)	102,229
Net assets, beginning of year	<u>1,682,026</u>	<u>395,363</u>	<u>2,077,389</u>
Net assets, end of year	<u>\$ 1,984,479</u>	<u>\$ 195,139</u>	<u>\$ 2,179,618</u>

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

HELPMATE, INC.

Statement of Activities Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and other support			
Government grants	\$ 1,576,755	\$	\$ 1,576,755
Foundation grants	96,667	306,833	403,500
United Way	11,348	27,744	39,092
Contributions	366,236	16,246	382,482
In-kind contributions	181,140		181,140
Fundraising events, net	133,449		133,449
Investment income, net	1,246		1,246
Other income	725		725
Net assets released from restrictions	<u>152,381</u>	<u>(152,381)</u>	
Total revenues and other support	<u>2,519,947</u>	<u>198,442</u>	<u>2,718,389</u>
Expenses			
Program services	2,225,362		2,225,362
Supporting services	<u>351,031</u>		<u>351,031</u>
Total expenses	<u>2,576,393</u>		<u>2,576,393</u>
Increase (decrease) in net assets before other loss	(56,446)	198,442	141,996
Other loss			
Loss on disposal of property and equipment	<u>(191)</u>		<u>(191)</u>
Increase (decrease) in net assets	(56,637)	198,442	141,805
Net assets, beginning of year	<u>1,738,663</u>	<u>196,921</u>	<u>1,935,584</u>
Net assets, end of year	<u>\$ 1,682,026</u>	<u>\$ 395,363</u>	<u>\$ 2,077,389</u>

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

HELPMATE, INC.

Statement of Functional Expenses Year Ended June 30, 2021

	Program Services				Supporting Services			Total
	Crisis <u>Stabilization</u>	Court <u>Advocacy</u>	Outreach & <u>Prevention</u>	Total Program <u>Services</u>	Management <u>& General</u>	Fundraising	Total Supporting <u>Services</u>	
Salaries	\$ 1,233,020	\$ 115,559	\$ 161,591	\$ 1,510,170	\$ 194,108	\$ 56,795	\$ 250,903	\$ 1,761,073
Payroll taxes	91,353	9,745	12,462	113,560	14,294	4,449	18,743	132,303
Health insurance	192,947	20,063	32,435	245,445	27,075	10,648	37,723	283,168
Workers' compensation	11,324			11,324				11,324
Retirement benefits	<u>18,812</u>	<u>2,403</u>	<u>4,231</u>	<u>25,446</u>	<u>7,485</u>	<u>2,700</u>	<u>10,185</u>	<u>35,631</u>
Total payroll and related	1,547,456	147,770	210,719	1,905,945	242,962	74,592	317,554	2,223,499
Community services line	8,655			8,655				8,655
Client assistance	168,717	22,478		191,195				191,195
Hotel as non-congregate shelter	591,330			591,330				591,330
Fundraising expenses						7,264	7,264	7,264
Insurance	28,048			28,048				28,048
Internet and computers	50,944	5,397	1,571	57,912	959	1,756	2,715	60,627
Maintenance and repair	15,539			15,539				15,539
Meetings	1,070			1,070				1,070
Office cleaning	6,542			6,542				6,542
Other expenses	31,366	92	2,662	34,120	4,924	235	5,159	39,279
Parking and mileage	948	190	506	1,644	3		3	1,647
Professional fees	348	348		696	14,420		14,420	15,116
Rental expense	26,561		7,249	33,810	2,599	3,611	6,210	40,020
Staff training and recruiting	7,652	1,734	1,815	11,201	274		274	11,475
Supplies, copying, and postage	105,280	2,698	1,553	109,531	1,926	3,067	4,993	114,524
Telephone and communication	10,660	3,409	969	15,038	516	230	746	15,784
Utilities	10,233			10,233				10,233
Bad debt	<u>138,212</u>			<u>138,212</u>				<u>138,212</u>
Total expenses before interest and depreciation	2,749,561	184,116	227,044	3,160,721	268,583	90,755	359,338	3,520,059
Interest	2,684	252	352	3,288	422	124	546	3,834
Depreciation	<u>65,259</u>			<u>65,259</u>				<u>65,259</u>
Total expenses	<u>\$ 2,817,504</u>	<u>\$ 184,368</u>	<u>\$ 227,396</u>	<u>\$ 3,229,268</u>	<u>\$ 269,005</u>	<u>\$ 90,879</u>	<u>\$ 359,884</u>	<u>\$ 3,589,152</u>

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

HELPMATE, INC.

Statement of Functional Expenses Year Ended June 30, 2020

	Program Services				Supporting Services			Total
	Crisis <u>Stabilization</u>	Court <u>Advocacy</u>	Outreach & <u>Prevention</u>	Total Program <u>Services</u>	Management & General	Fundraising	Total Supporting Services	
Salaries	\$ 983,265	\$ 85,900	\$ 167,585	\$ 1,236,750	\$ 186,434	\$ 52,314	\$ 238,748	\$ 1,475,498
Payroll taxes	66,966	6,422	12,300	85,688	15,041	3,920	18,961	104,649
Health insurance	145,255	15,665	26,213	187,133	24,733	9,705	34,438	221,571
Workers' compensation	9,463	52	101	9,616	49	31	80	9,696
Retirement benefits	<u>18,507</u>	<u>2,665</u>	<u>4,159</u>	<u>25,331</u>	<u>6,902</u>	<u>975</u>	<u>7,877</u>	<u>33,208</u>
Total payroll and related	1,223,456	110,704	210,358	1,544,518	233,159	66,945	300,104	1,844,622
Community services line	6,138			6,138				6,138
Client assistance	78,331	5,837		84,168				84,168
Hotel as non-congregate shelter	172,780			172,780				172,780
Fundraising expenses	35			35		7,718	7,718	7,753
Insurance	24,759	72	141	24,972	178	43	221	25,193
Internet and computers	54,780	1,917	3,726	60,423	2,302	2,341	4,643	65,066
Maintenance and repair	78,284			78,284				78,284
Meetings	159	24	258	441	220	8	228	669
Office cleaning	6,382			6,382				6,382
Other expenses	21,679	113	2,225	24,017	10,075	472	10,547	34,564
Parking and mileage	1,996	23	2,774	4,793	387	10	397	5,190
Professional fees	1,852	1,401	579	3,832	14,340	110	14,450	18,282
Rental expense	26,887		7,073	33,960	2,536	3,524	6,060	40,020
Staff training and recruiting	23,278	453	4,490	28,221	210	360	570	28,791
Supplies, copying, and postage	36,026	2,245	2,568	40,839	2,011	3,190	5,201	46,040
Telephone and communication	14,272	3,249	1,340	18,861	581	311	892	19,753
Utilities	<u>16,198</u>			<u>16,198</u>				<u>16,198</u>
Total expenses before depreciation	1,787,292	126,038	235,532	2,148,862	265,999	85,032	351,031	2,499,893
Depreciation	<u>76,500</u>			<u>76,500</u>				<u>76,500</u>
Total expenses	<u>\$ 1,863,792</u>	<u>\$ 126,038</u>	<u>\$ 235,532</u>	<u>\$ 2,225,362</u>	<u>\$ 265,999</u>	<u>\$ 85,032</u>	<u>\$ 351,031</u>	<u>\$ 2,576,393</u>

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

HELPMATE, INC.

Statements of Cash Flows Years Ended June 30, 2021 and 2020

	2021	2020
Cash flows from operating activities		
Increase in net assets	\$ 102,229	\$ 141,805
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	65,259	76,500
Bad debt expense	138,212	
Loss on disposal of property and equipment	3,843	191
Gain on beneficial interest in endowment fund	(2,428)	
Receipt of donated stock	(8,675)	(13,376)
Paycheck Protection Program loan forgiveness	(298,446)	
Noncash interest expense	3,834	
Changes in working capital - sources (uses):		
Grants receivable	155,873	(310,838)
Sales tax receivable	(25,200)	(12,055)
Prepaid expenses	(1,217)	(1,090)
Accounts payable	14,193	8,604
Accrued salaries and payroll taxes	51,027	22,277
Accrued compensated absences	11,091	8,572
Unearned revenue	(122,941)	61,960
Net cash provided (used) by operating activities	86,654	(17,450)
 Cash flows from investing activities		
Purchase of property and equipment	(150,000)	(32,000)
Contributions to beneficial interest in endowment fund	(51,251)	
Change in beneficial interest in endowment fund	164	
Proceeds from sale of donated stock	8,675	13,376
Net cash used by investing activities	(192,412)	(18,624)
 Cash flows from financing activities		
Proceeds from issuance of long-term debt		294,612
 Net increase (decrease) in cash and equivalents and restricted cash	(105,758)	258,538
 Cash and equivalents and restricted cash at beginning of year	754,212	495,674
 Cash and equivalents and restricted cash at end of year	\$ 648,454	\$ 754,212

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

HELPMATE, INC.

Notes to Financial Statements
June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies

Organization

Helpmate, Inc. (the Organization) was formed in 1981 as a North Carolina nonprofit entity. The purpose of the Organization is to work with the community to eliminate abuse and fear by providing safety shelter, and support for victims/survivors of intimate partner domestic violence. The Organization's three primary program areas are as follows:

- *Crisis Stabilization* - Includes operating a temporary emergency shelter, 24-hour crisis line, and providing case management and counseling for victims of domestic abuse.
- *Court Advocacy* - Helping clients navigate the civil and criminal court systems while advocating on their behalf.
- *Outreach and Prevention* - Carrying out public awareness and education programs about domestic violence.

Income Tax Status

The Organization is incorporated as a nonprofit corporation under the laws of the State of North Carolina and is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. In addition, the Organization has been classified as a publicly supported charitable organization under section 509(a)(1). Income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income.

Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Note 1 - Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

- *Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended in performing the primary purposes of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.
- *Net assets with donor restrictions:* Net assets subject to donor-imposed time or purpose restrictions. These restrictions limit the spending options when using these resources because the Organization has a fiduciary responsibility to follow the donors' instructions. Net assets with donor restrictions generally result from donor-restricted contributions and grants received for a specific purpose. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Support is recorded as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets (that is, the donor-stipulated purpose has been fulfilled and/or time period has elapsed) are reported as net assets released from restrictions. The Organization has adopted a policy to classify donor restricted support as without donor restrictions to the extent that restrictions were met in the reporting period the support was recognized.

Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing program services. Non-operating activities are limited to resources that generate return from the beneficial interest in endowment fund, loss on disposal of property and equipment, and other activities considered to be more unusual or nonrecurring in nature.

Fair Value of Financial Instruments

The carrying value of substantially all reported assets and liabilities, except grants receivable, beneficial interest in endowment fund, and long-term debt, approximates fair value due to the relatively short-term nature of the financial instruments.

Amounts recognized for grants receivable approximates fair value due to the allowance for uncollectable accounts applied to outstanding balances.

Fair value of beneficial interest in endowment fund is discussed in Note 7.

The carrying value of long-term debt approximates fair value due to market interest rates charged at the time of borrowing.

Note 1 - Summary of Significant Accounting Policies (continued)

Cash and Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with initial maturities of three months or less to be cash equivalents. Restricted cash consists of donor-imposed and board-designated amounts to be held for long-term purposes as discussed in Note 4.

Grants Receivable

Conditional grants receivable are not recognized in the financial statements until the conditions are substantially met. Unconditional grants receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional grants receivable that are expected to be collected in more than one year are recorded at fair value, which is measured at the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the grants are expected to be received. Amortization of the discount is included in contributions. The allowance for doubtful accounts is based on management's specific identification of amounts that may not be collected.

Sales Tax Receivable

Sales tax receivable is stated at the amount management expect to collect on outstanding balances.

Investments

Investments are recorded at fair market value. Both unrealized gains and losses from the fluctuation of market value and realized gains and losses from the sale of investments are reflected in the statements of activities.

Investment Income and Gains

Investment income and gains are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Fair Value Measurements and Disclosures

The Organization applies U.S. GAAP authoritative guidance for fair value measurements and disclosures, which defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements. The standard describes three levels of inputs that may be used to measure fair value:

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.

Note 1 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements and Disclosures (continued)

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.

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.

Assets and liabilities within the hierarchy are based on the lowest (or least observable) input that is significant to the measurement. The Organization's assessment of the significance of an input requires judgment, which may affect the valuation and classification within the fair value hierarchy.

Property and Equipment

Additions to property and equipment, if purchased, are recorded at cost. Major renewals and replacements are capitalized as incurred. Expenditures for repairs, maintenance, and minor renewals that do not improve or extend the life of the asset are expensed. The Organization has adopted an accounting policy to capitalize all property and equipment with a cost greater than \$5,000 and an estimated useful life extending beyond one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally two to thirty-one years.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of gift. The Organization reports gifts of property and equipment as contributions without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are recorded as net assets with donor restrictions until such assets are acquired or placed in service.

Donated Assets

Donated marketable securities are recorded as contributions at their estimated fair value at the date of donation. Donated materials and equipment are reflected as in-kind contributions at their estimated fair value at the date of donation. For the years ended June 30, 2021 and 2020, the Organization received donated in-kind materials and equipment in the amount of \$190,783 and \$181,140, respectively.

Note 1 - Summary of Significant Accounting Policies (continued)

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, and are performed by people with those skills, and would otherwise be purchased by the Organization. No amounts have been reflected in the accompanying financial statements for donated services since recognition criteria were not met. A substantial number of volunteers have also donated a significant amount of time to the Organization's operations and program services throughout the fiscal year that are not recognized as contributions in the financial statements since the recognition criteria were not met. The Organization received approximately 5,300 and 4,700 volunteer hours during the years ended June 30, 2021 and 2020, respectively.

Revenue Recognition

Contributions are recognized when cash, securities, other assets, or an unconditional promise to give is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return of the asset or right of release of the obligation - are not recognized until the conditions on which they depend have been met. The Organization received conditional contributions in the amounts of \$18,150 and \$43,410 that have not been recognized as of June 30, 2021 and 2020, respectively. These amounts will be included in unearned revenue until qualifying expenditures have been incurred.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as unearned revenue in the statements of financial position. The Organization received \$3,319 in advance payments on cost-reimbursable grants that have not been recognized as of June 30, 2021. This amount will be included in unearned revenue until qualifying expenditures have been incurred or refunded to the grantor as unexpended grant funding.

Certain contributions made to the Organization are designated by the donor to be paid out to other agencies. Agency grant funds received and distributed to other organizations are not reported as revenue, support, or expenses within the accompanying statements of activities as the Organization lacks variance power to direct the use of the funds. The balance of unpaid agency grant funds is included in unearned revenue until the funds are disbursed.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Note 1 - Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The cost of providing program and supporting services activities have been summarized on a functional basis in the statements of activities and functional expenses. Certain categories of expenses are attributable to programs and support. Expenses for community services line, client assistance, hotel as non-congregate shelter, maintenance and repair, office cleaning, utilities, bad debt expense, and depreciation are directly related to program services. Expenses related to fundraising expenses are directly related to fundraising which is a supporting service. All other expense classifications are allocated on the basis of a combination of estimates of time and effort and square footage of building space in which the programs are operated.

New Accounting Pronouncements

During the year ended June 30, 2021, the Organization adopted the requirements of the following standards set by the Financial Accounting Standards Board (FASB). The implementation of each of these standards did not materially impact the Organization's financial statements.

- Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09). This Update amended the previous accounting standards for revenue recognition. ASU 2014-09 establishes principles for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Additional disclosures have been added as a result of ASU 2014-09, which are included in Note 1, Revenue Recognition and Note 5, Contract Assets and Liabilities.
- Accounting Standards Update No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. (ASU 2018-13). ASU 2018-13 modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures.
- Accounting Standards Update No. 2020-03, *Codification Improvements to Financial Instruments*. (ASU 2020-03). ASU 2020-03 made additional clarifications to disclosure requirements of financial statements.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*. Under the new standard, lessees will recognize a right-of-use asset and lease liability for virtually all leases (other than leases that meet the definition of a short-term lease). The lease liability will be equal to the present value of lease payments. For statement of activity purposes, leases continue to be classified as either operating or finance. Operating leases will result in straight-line expense, while finance leases will result in accelerated expense recognition, comparable to current capital leases. Classification will be based on criteria similar to those applied to current lease accounting. Additional disclosures will be required to provide details of revenue and expense recognized and expected to be recognized from existing agreements. The new standard will be effective beginning July 1, 2022.

Note 1 - Summary of Significant Accounting Policies (continued)

Recently Issued Accounting Pronouncements (continued)

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 puts in place additional requirements regarding the presentation and disclosure of contributed nonfinancial assets for nonprofit entities for the purpose of enhancing transparency of such contributions received. The new standard will be effective beginning July 1, 2022.

Note 2 - Restrictions on Assets

Net assets are described as follows:

<u>At June 30</u>	<u>2021</u>	<u>2020</u>
Net assets without donor restrictions:		
Undesignated	\$ 822,085	\$ 602,797
Board designated - endowment	27,515	25,248
Board designated - capital reserves	50,000	50,000
Investment in property and equipment	<u>1,084,879</u>	<u>1,003,981</u>
Net assets without donor restrictions	<u>1,984,479</u>	<u>1,682,026</u>
Net assets with donor restrictions:		
Subject to expenditure for a specified purpose:		
General support	60,391	104,083
Youth prevention	33,333	16,667
Volunteer program	18,248	50,000
Case management and counseling	11,667	45,000
Capital campaign	10,045	10,045
Outreach	7,900	54,583
Camp Hope	7,700	
Shelter/COVID	7,314	43,000
Security upgrades	7,541	7,541
Client loans	5,000	5,000
Client assistance		<u>33,444</u>
Total subject to expenditure for a specified purpose	<u>169,139</u>	<u>369,363</u>
Not subject to spending policy or appropriation:		
Investment in perpetuity - endowment fund	<u>26,000</u>	<u>26,000</u>
Net assets with donor restrictions	<u>195,139</u>	<u>395,363</u>
<u>Total net assets</u>	<u>\$ 2,179,618</u>	<u>\$ 2,077,389</u>

Note 3 - Liquidity and Availability of Financial Assets

The Organization received significant contributions and grants restricted by donors and consider those program revenues, which are ongoing, major, and central to its operations, to be available to meet cash needs for general expenditures.

The Organization manages liquidity and reserves utilizing three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets to fund near-term operating needs, and
- Dedicated reserves to provide reasonable assurance that obligations are met.

The Organization targets fiscal year-end working capital reserves of three to six months of budgeted operating expenses. To achieve this target, the Organization forecasts future cash flows and monitors liquidity on a monthly basis.

The following reflects the liquidity and availability of the Organization's financial assets:

<u>At June 30</u>	<u>2021</u>	<u>2020</u>
Financial assets:		
Cash, cash equivalents, and restricted cash	\$ 648,454	\$ 754,212
Grants receivable	561,341	855,426
Sales tax receivable	41,979	16,779
Beneficial interest in endowment fund	<u>53,515</u>	<u> </u>
Total financial assets	<u>1,305,289</u>	<u>1,626,417</u>
Amounts not available for general expenditure:		
Board designated for formation of endowment	(27,515)	(25,248)
Board designated capital reserves	(50,000)	(50,000)
Total net assets with donor restrictions	(195,139)	(395,363)
Add back: restricted grants receivable	<u>44,391</u>	<u>50,949</u>
Total amounts not available for general expenditure	<u>(228,263)</u>	<u>(419,662)</u>
Net financial assets available to meet cash needs <u>for general expenditures within one year</u>	<u>\$ 1,077,026</u>	<u>\$ 1,206,755</u>

Line of Credit

The Organization maintains a line of credit to meet short-term working capital needs. Maximum borrowings are \$500,000 and the line is secured by essentially all assets. Monthly interest only payments are required at the prime rate plus 0.3%. The line of credit did not have an outstanding balance at June 30, 2021 and 2020, and matures in March 2022.

Note 4 - Restricted Cash

Restricted cash consists of the following:

<u>At June 30</u>	<u>2021</u>	<u>2020</u>
Donor restricted for formation of endowment	\$	\$ 26,000
Board-designated for formation of endowment		25,248
Board designated capital reserves	<u>50,000</u>	<u>50,000</u>
<u>Restricted cash</u>	<u>\$ 50,000</u>	<u>\$ 101,248</u>

Note 5 - Contract Assets and Liabilities

Grants receivable represent the Organization's contract assets with an unconditional right to receive consideration from grantors. Grants receivable are recorded at invoiced amounts or amounts expected to be receivable based on contractual terms without conditions.

The following table provides information about contract assets:

<u>At June 30</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Buncombe County	\$ 134,886	\$ 93,748	\$ 58,203
CFWNC		23,205	
City of Asheville		5,445	6,956
FEMA	26,077		
NC Council for Women	5,357	12,299	15,869
NC Dept of Health and Human Services	50,385		
NC Emergency Management	189,380		
NC Governor's Crime Commission	224,374	608,471	373,823
The SPARC Foundation			3,529
United Way	44,391	27,744	71,597
University of North Carolina at Greensboro	10,070	30,439	11,765
U.S. Department of Justice	14,129	47,271	2,143
Other	<u>504</u>	<u>6,804</u>	<u>703</u>
Total grants receivable	699,553	855,426	544,588
Less, allowance for uncollectible grants	<u>(138,212)</u>		
<u>Grants receivable, net</u>	<u>\$ 561,341</u>	<u>\$ 855,426</u>	<u>\$ 544,588</u>

Contract liabilities are recorded when a customer pays consideration, or the Organization has a right to an amount of consideration that is unconditional, before the transfer of a good or performance of a service to the customer. Thus, the Organization has an obligation to transfer the good or service to the customer at a future date.

Note 5 - Contract Assets and Liabilities (continued)

Contract liabilities are reported as unearned revenue in the accompanying statements of financial position and are comprised of the following:

- Unearned revenue, representing conditional contributions and advance payments received from donors and grantors prior to incurring expenditures in compliance with specific contract or grant provisions.
- Agency grant funds, representing amounts received from grantors and designated for use by other specified non-profit organizations.

Significant changes in contract liabilities from contracts with customers are as follows:

<u>At June 30</u>	<u>2021</u>	<u>2020</u>
Unearned revenue, beginning of year	\$ 31,410	\$ 23,450
Revenue recognized that was included in unearned revenue at the beginning of the year	(31,410)	(23,450)
Increase in unearned revenue due to cash received during year	<u>14,569</u>	<u>31,410</u>
Unearned revenue, end of year	<u>14,569</u>	<u>31,410</u>
Agency grant funds, beginning of year	113,000	59,000
Agency grant funds paid	(106,100)	(53,000)
Payments received designated for other agencies	<u> </u>	<u>107,000</u>
Agency grant funds, end of year	<u>6,900</u>	<u>113,000</u>
<u>Total contract liabilities</u>	<u>\$ 21,469</u>	<u>\$ 144,410</u>

Note 6 - Beneficial Interest in Endowment Fund

The beneficial interest in endowment fund is managed by the Community Foundation of Western North Carolina, Inc. (Foundation). The fund agreement grants variance power to the Foundation. This power allows the Board of Directors of the Foundation to modify or institute court action to modify any condition or restriction on the use and distribution of funds for any specified charitable purpose or to specified organizations if, in the sole judgment of the Board of Directors (without the approval of any trustee, custodian, or agent), such condition or restriction becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the region served by the Foundation. Under the terms of the agreement, the Organization can withdraw a portion of the original principal provided that the governing board of the Organization and the Foundation approve the withdrawal. The Organization's beneficial interest in endowment funds is invested in an allocated investment pool at the Foundation and is presented in the financial statements in the aggregate at fair value.

Note 7 - Fair Value Measurements

Beneficial interest in endowment fund is reported in the accompanying financial statements at estimated fair value in accordance with the fair value hierarchy. The beneficial interest in endowment fund is provided by the Foundation. Due to inputs being unobservable, the instruments are categorized as Level 3. No Level 1 and Level 2 in were present at June 30, 2021 and 2020. A reconciliation of changes in Level 3 inputs is as follows:

<u>Years Ended June 30</u>	<u>2021</u>	<u>2020</u>
Level 3 inputs, beginning of the year	\$	\$
Contributions	51,251	
Interest and dividends	98	
Investment fees	(262)	
Net gains on beneficial interest in endowment fund	<u>2,428</u>	<u></u>
<u>Level 3 inputs, end of year</u>	<u>\$ 53,515</u>	<u>\$</u>

Note 8 - Property and Equipment

Property and equipment consists of the following:

<u>At June 30</u>	<u>2021</u>	<u>2020</u>
Land	\$ 384,468	\$ 234,468
Building	721,732	721,732
Building improvements	621,822	639,852
Furniture and equipment	104,823	119,857
Vehicles	<u>32,000</u>	<u>32,000</u>
	1,864,845	1,747,909
Less, accumulated depreciation	<u>779,966</u>	<u>743,928</u>
<u>Property and equipment</u>	<u>\$ 1,084,879</u>	<u>\$ 1,003,981</u>

Depreciation expense for the years ended June 30, 2021 and 2020, was \$65,259 and \$76,500, respectively.

Note 9 - Long-term Debt

Long-term debt is described as follows:

<u>At June 30</u>	<u>2021</u>	<u>2020</u>
Paycheck Protection Program (PPP) note payable due April 2022, see below for anticipated forgiveness	\$	\$ 294,612
Less, current portion	<u></u>	<u>113,145</u>
<u>Long-term debt, less current portion</u>	<u>\$</u>	<u>\$ 181,467</u>

Note 9 - Long-term Debt (continued)

If PPP funds are used for certain expenses, predominantly salaries and related costs, all or a portion of the balance could be forgiven. Management has filed for loan forgiveness for the PPP loan. Management believes that the Organization has substantially met the conditional requirements for loan forgiveness and has accordingly recorded the anticipated forgiven amount of principal and interest of \$298,446 as grant revenue during the year ended June 30, 2021.

Note 10 - In-kind Contributions

In-kind contributions are summarized as follows:

<u>Years Ended June 30</u>	<u>2021</u>	<u>2020</u>
Hotel lodging and food	\$ 141,509	\$ 129,460
Office space	40,020	40,020
Supplies	1,589	6,215
Gift cards	<u>7,665</u>	<u>5,445</u>
<u>In-kind contributions</u>	<u>\$ 190,783</u>	<u>\$ 181,140</u>

Note 11 - Fundraising Events

Fundraising events for the year are summarized as follows:

<u>Years Ended June 30</u>	<u>2021</u>	<u>2020</u>
Men Who Care Luncheon	\$	\$ 120,396
Women's High Tea	136,710	
Miscellaneous special event revenue	<u>13,242</u>	<u>25,328</u>
	149,952	145,724
Less, direct event expenses	<u>5,872</u>	<u>12,275</u>
<u>Fundraising events, net</u>	<u>\$ 144,080</u>	<u>\$ 133,449</u>

Note 12 - Defined Contribution Plan

The Organization participates in a 403(b) defined contribution retirement plan (the Plan). All employees aged eighteen or older are eligible to participate in the Plan. The Organization matches employee contributions up to 5% of the employee's eligible compensation as defined by the Plan. Employer contributions become vested after two years of continuous service using a graded schedule. Retirement benefit expenses under the Plan for the years ended June 30, 2021 and 2020, were \$35,631 and \$33,208, respectively.

Note 13 - Commitments and Contingencies

Lease Commitments

The Organization leases office space from Buncombe County on an annual basis for \$12 per year. The fair value of the office rental was \$40,020 for each of the years ended June 30, 2021 and 2020, and is included in in-kind contributions and rent expense.

Federal and State Assisted Programs

The Organization has received proceeds from several federal and state grants. Periodic audits of these grants and third-party reimbursements are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in a refund or reimbursement to the grantor or third-party agencies. Management believes that refunds or reimbursements, should any be determined, would be immaterial. No provisions have been made in the accompanying financial statements for the repayment of any grant monies or third-party reimbursements.

Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and volunteers; and natural disasters. The Organization carries commercial insurance coverage for risks of loss. Claims have not exceeded coverage in any year since inception.

Note 14 - Concentration of Credit Risk

The Organization maintains its cash balances at financial institutions that are insured by the Federal Deposit Insurance Corporation up to \$250,000. The uninsured cash balance at June 30, 2021 and 2020, was \$280,808 and \$136,392, respectively.

Note 15 - Income Taxes

Uncertain Tax Positions

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements.

Open Tax Years

The Organization's Return of Organization Exempt from Income Tax (Form 990) for the years ended June 30, 2020, 2019, and 2018, are subject to examination by the IRS, generally for three years after they were filed.

Note 16 - Related Party Transactions

Contributions from board members totaled \$23,655 and \$24,012 for the years ended June 30, 2021 and 2020, respectively.

Note 17 - Coronavirus Pandemic Impact

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States. COVID-19 has caused unprecedented business and economic disruption through mandated closings of certain businesses and industries.

The Organization was deemed an essential business and COVID-19 did not have a significant impact on the Organization's ability to operate. The Organization received increased community support and governmental revenues to respond to and adapt the operations of the Organization to meet various regulations. Government grants received as a result of COVID-19 consist of \$57,890 in federal funding to respond to increased demands, \$366,254 in federal hotel based non-congregate shelter assistance, \$166,453 in Coronavirus Relief Fund grants, and \$298,446 in U.S. Small Business Administration Paycheck Protection Program loan forgiveness for the year ended June 30, 2021.

The extent of the impact of COVID-19 will depend on certain developments, including the duration and spread of the outbreak. At this point, it is unclear the extent COVID-19 will have on the Organization's financial condition or results of operations.

Note 18 - Subsequent Events

Management has evaluated subsequent events through December 7, 2021, the date on which the financial statements were available to be issued.

In August 2021, the Organization received formal forgiveness of the PPP loan for \$298,446 principal and interest.

COMPLIANCE SECTION

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Helpmate, Inc.

We have audited, 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, the financial statements of Helpmate, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 7, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Helpmate, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Helpmate, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Helpmate, Inc.'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 may exist that have not been identified.

To the Board of Directors
Helpmate, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Helpmate, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CARTER, P.C.

Asheville, North Carolina
December 7, 2021

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

To the Board of Directors
Helpmate, Inc.

Report on Compliance for Each Major Federal Program

We have audited Helpmate, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Helpmate, Inc.'s major federal programs for the year ended June 30, 2021. Helpmate Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Helpmate, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Helpmate, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Helpmate, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Helpmate, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

To the Board of Directors
Helpmate, Inc.

Report on Internal Control over Compliance

Management of Helpmate, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Helpmate, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Helpmate, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Asheville, North Carolina
December 7, 2021

HELPMATE, INC.

Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2021

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>State/Pass-through Grantor's Number</u>	<u>Expenditures</u>	<u>Pass- through to Subrecipients</u>
FEDERAL AWARDS				
<u>U.S. Department of Justice</u>				
Office for Victims of Crime:				
Passed through N.C. Department of Public Safety - Governor's Crime Commission:				
Crime Victim Assistance:				
Buncombe Domestic Violence Services 2018	16.575	PROJ012931	\$ 33,406	\$
Buncombe Basic Domestic Violence Services 2020	16.575	PROJ013964	105,000	
Buncombe Enhanced Court Advocacy Services for Domestic Violence Survivors - 2019	16.575	PROJ013451	305,452	
Buncombe Comprehensive Services to Underserved Victims 2018	16.575	PROJ013064	98,560	
Buncombe Comprehensive Services to Underserved Victims 2020	16.575	PROJ014218	317,245	
Passed through Buncombe County, North Carolina: Family Justice Center Project	16.575	661	273,596	
Passed through University of North Carolina at Greensboro: UNCG-LGBTQ Community and DV-2017	16.575	PROJ012280	10,864	
NC LGBTQ Domestic Violence Response Initiative - 2020	16.575	PROJ014256	44,811	
Total Crime Victim Assistance			<u>1,188,934</u>	
Office of Violence Against Women:				
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736		68,246	9,634
Passed through Buncombe County, North Carolina:				
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	2015-WE-AX-0015	<u>89,502</u>	
Total U.S. Department of Justice			<u>1,346,682</u>	<u>9,634</u>

HELPMATE, INC.

Schedule of Expenditures of Federal and State Awards (continued)
Year Ended June 30, 2021

Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State/Pass-through Grantor's Number	Expenditures	Pass- through to Subrecipients
FEDERAL AWARDS (continued)				
<u>U.S. Department of Housing and Urban Development</u>				
Office of Community Planning and Development:				
Passed through N.C. Department of Health and Human Services - Division of Aging and Adult Services:				
Emergency Solutions Grant	14.231	00041812	\$ 25,844	\$
Emergency Solutions Grant - COVID-19	14.231	00042622	39,650	
Passed through City of Asheville, North Carolina:				
Emergency Solutions Grant	14.231	92000383	18,635	
Emergency Solutions Grant - COVID-19	14.231	92000383	8,240	
Total Emergency Solutions Grants			92,369	
Passed through City of Asheville, North Carolina:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	92100358	30,000	
Continuum of Care Program	14.267		51,675	
Total U.S. Department of Housing and Urban Development			174,044	
<u>U.S. Department of Health and Human Services</u>				
Family and Youth Services Bureau:				
Passed through NC Council for Women and Youth Involvement:				
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	56-1276293	33,056	
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services - CARES Act	93.671		10,000	
Total U.S. Department of Health and Human Services			43,056	

HELPMATE, INC.

Schedule of Expenditures of Federal and State Awards (continued)
Year Ended June 30, 2021

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>State/Pass-through Grantor's Number</u>	<u>Expenditures</u>	<u>Pass- through to Subrecipients</u>
FEDERAL AWARDS (continued)				
<u>U.S. Department of Homeland Security</u>				
Federal Emergency Management Agency:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		\$ 26,077	\$
Passed through North Carolina Emergency Management: Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		<u>340,177</u>	<u> </u>
Total U.S. Department of Homeland Security			<u>366,254</u>	<u> </u>
<u>U.S. Department of the Treasury</u>				
Passed through N.C. Department of Administration: Coronavirus Relief Fund	21.019	HB 1105	<u>166,453</u>	<u> </u>
Total expenditures of federal awards			<u>\$ 2,096,489</u>	<u>\$ 9,634</u>
STATE AWARDS				
<u>North Carolina Department of Administration</u>				
N.C. Council for Women and Youth Involvement:				
Domestic Violence Program		56-1276293	\$ 46,292	\$
Divorce Filing Fees Program		56-1276293	19,000	
Marriage License Fee Program		56-1276293	<u>17,500</u>	<u> </u>
Total expenditures of state awards			<u>\$ 82,792</u>	<u>\$</u>

HELPMATE, INC.

Schedule of Expenditures of Federal and State Awards (continued)
Year Ended June 30, 2021

Notes to the Schedule of Expenditures of Federal and State Awards

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (SEFSA) includes the federal and state award activity of Helpmate, Inc. under programs of the federal government and the State of North Carolina for the year ended June 30, 2021. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFSA presents only a selected portion of the operations of Helpmate, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Helpmate, Inc.

Note B - Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are presented on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C - Indirect Cost Rate

Helpmate, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

HELPMATE, INC.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over compliance:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditors' report issued on compliance for major federal program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? _____ yes X no

Identification of major federal program:
AL# 16.575 - Crime Victim Assistance

The threshold for distinguishing Type A and Type B programs was \$750,000.

Helpmate, Inc. was determined to be a low risk auditee.

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings and Questioned Costs

None reported.

HELPMATE, INC.

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2021

No findings were reported for the year ended June 30, 2020.

No findings were reported for the year ended June 30, 2019.