



**Hubbard House, Inc.**

**Financial Statements**

**June 30, 2021 and 2020**



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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Hubbard House, Inc.  
Jacksonville, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Hubbard House, Inc. (the "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 auditor's 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.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hubbard House, 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of source and expenditures of city grant funds 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 October 21, 2021, 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.

*Caru, Riggs & Ingram, L.L.C.*

Jacksonville, Florida

October 21, 2021

**Hubbard House, Inc.**  
**Statements of Financial Position**

<i>June 30,</i>	<b>2021</b>	2020
<b>Assets</b>		
Cash and cash equivalents	\$ 2,579,967	\$ 2,528,514
Grants receivable	1,007,041	806,169
Prepaid expenses and other assets	7,055	26,782
Investments - unrestricted	919,561	728,863
Investments - restricted - Shelter endowment	883,450	764,981
Property and equipment, net	5,602,741	5,594,150
Total assets	\$ 10,999,815	\$ 10,449,459
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ 22,638	\$ 8,944
Accrued expenses	190,077	118,855
Deferred revenue	2,250	20,500
Notes payable	300,035	934,993
Total liabilities	515,000	1,083,292
Net assets		
Without donor restrictions	9,858,981	8,331,324
With donor restrictions	625,834	1,034,843
Total net assets	10,484,815	9,366,167
Total liabilities and net assets	\$ 10,999,815	\$ 10,449,459

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

**Hubbard House, Inc.**  
**Statements of Activities**

<i>For the year ended June 30,</i>	Without Donor Restriction	With Donor Restriction	2021 Total
<b>Revenue and Other Support</b>			
Government grants	\$ 3,627,037	\$ -	\$ 3,627,037
Contributions - public	1,531,708	23,464	1,555,172
Contributions - United Way, allocated and designated	103,702	-	103,702
Contributions - in-kind	93,168	-	93,168
Thrift store sales revenue	290,546	-	290,546
Less thrift store expenses	(274,749)	-	(274,749)
Net gain on thrift store sales	15,797	-	15,797
Investment income, net	396,579	-	396,579
Gain on forgiveness of PPP loan	570,549	-	570,549
Miscellaneous	21,454	-	21,454
Net assets released from restrictions	432,473	(432,473)	-
<b>Total revenue and other support</b>	<b>6,792,467</b>	<b>(409,009)</b>	<b>6,383,458</b>
<b>Expenses</b>			
<i>Program Services</i>			
Assistance to clients	4,304,445	-	4,304,445
<i>Supporting Services</i>			
Management and general	670,986	-	670,986
Fundraising	289,379	-	289,379
<b>Total supporting services</b>	<b>960,365</b>	<b>-</b>	<b>960,365</b>
<b>Total expenses</b>	<b>5,264,810</b>	<b>-</b>	<b>5,264,810</b>
<b>Change in net assets</b>	<b>1,527,657</b>	<b>(409,009)</b>	<b>1,118,648</b>
Net assets at beginning of year	8,331,324	1,034,843	9,366,167
Net assets at end of year	\$ 9,858,981	\$ 625,834	\$ 10,484,815

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

**Hubbard House, Inc.**  
**Statements of Activities**

<i>For the year ended June 30,</i>	Without Donor Restriction	With Donor Restriction	2020 Total
<b>Revenue and Other Support</b>			
Government grants	\$ 3,088,285	\$ -	\$ 3,088,285
Contributions - public	2,121,431	186,605	2,308,036
Contributions - United Way, allocated and designated	98,319	-	98,319
Contributions - in-kind	19,025	-	19,025
Thrift store sales revenue	264,162	-	264,162
Less thrift store expenses	(274,598)	-	(274,598)
Net loss on thrift store sales	(10,436)	-	(10,436)
Program services	7,250	-	7,250
Investment income, net	56,283	-	56,283
Miscellaneous	579	-	579
Net assets released from restrictions	196,099	(196,099)	-
<b>Total revenue and other support</b>	<b>5,576,835</b>	<b>(9,494)</b>	<b>5,567,341</b>
<b>Expenses</b>			
<i>Program Services</i>			
Assistance to clients	4,396,786	-	4,396,786
<i>Supporting Services</i>			
Management and general	640,866	-	640,866
Fundraising	271,058	-	271,058
Total supporting services	911,924	-	911,924
<b>Total expenses</b>	<b>5,308,710</b>	<b>-</b>	<b>5,308,710</b>
<b>Change in net assets</b>	<b>268,125</b>	<b>(9,494)</b>	<b>258,631</b>
Net assets at beginning of year	8,063,199	1,044,337	9,107,536
Net assets at end of year	\$ 8,331,324	\$ 1,034,843	\$ 9,366,167

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

**Hubbard House, Inc.**  
**Statements of Functional Expenses**

<i>For the year ended June 30, 2021</i>	<u>Program Services</u>		<u>Supporting Services</u>		
	Assistance to Clients	Management and General	Fundraising	Total	
Personnel	\$ 3,047,238	\$ 534,402	\$ 194,884	\$ 3,776,524	
Contract services	80,772	34,533	-	115,305	
Supplies	30,424	10,372	1,492	42,288	
Telephone	69,206	3,400	1,481	74,087	
Postage	2,671	1,034	5,313	9,018	
Occupancy	208,215	575	-	208,790	
Equipment, maintenance and rental	81,958	35,744	26,274	143,976	
Printing	25,664	1,125	19,810	46,599	
Transportation	3,253	526	6,374	10,153	
Conventions and meetings	13,996	1,798	5,338	21,132	
Assistance to individuals	422,695	-	-	422,695	
Dues and subscriptions	4,846	8,267	75	13,188	
Bank fees	6,401	22,029	6,093	34,523	
Interest	-	2,180	-	2,180	
Insurance	92,128	-	-	92,128	
Other	27,763	6,593	442	34,798	
Depreciation	187,215	8,408	21,803	217,426	
<b>Total expenses</b>	<b>\$ 4,304,445</b>	<b>\$ 670,986</b>	<b>\$ 289,379</b>	<b>\$ 5,264,810</b>	

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



**Hubbard House, Inc.**  
**Statements of Functional Expenses**

<i>For the year ended June 30, 2020</i>	<u>Program Services</u>	<u>Supporting Services</u>			Total
	Assistance to Clients	Management and General	Fundraising		
Personnel	\$ 2,964,784	\$ 459,685	\$ 187,871	\$	3,612,340
Contract services	123,127	22,720	-	-	145,847
Supplies	45,212	12,262	1,867	-	59,341
Telephone	54,191	3,617	1,507	-	59,315
Postage	1,751	1,057	3,334	-	6,142
Occupancy	243,945	504	-	-	244,449
Equipment, maintenance and rental	82,585	70,594	31,236	-	184,415
Printing	29,147	2,952	13,235	-	45,334
Transportation	30,728	2,133	286	-	33,147
Conventions and meetings	20,031	1,471	15,349	-	36,851
Assistance to individuals	497,846	-	-	-	497,846
Dues and subscriptions	12,787	18,059	30	-	30,876
Bank fees	8,647	14,337	5,028	-	28,012
Interest	-	2,306	-	-	2,306
Insurance	79,864	58	32	-	79,954
Other	20,138	2,797	319	-	23,254
Depreciation	182,003	26,314	10,964	-	219,281
<b>Total expenses</b>	<b>\$ 4,396,786</b>	<b>\$ 640,866</b>	<b>\$ 271,058</b>	<b>\$</b>	<b>5,308,710</b>

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

## Hubbard House, Inc. Statements of Cash Flows

<i>For the year ended June 30,</i>	<b>2021</b>	<b>2020</b>
<b>Operating Activities</b>		
Change in net assets	\$ 1,118,648	\$ 258,631
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	217,426	219,281
Donated assets	(56,697)	-
PPP loan forgiveness	(570,549)	-
Unrealized and realized gain on investments	(372,215)	(11,300)
Changes in assets and liabilities:		
Grants receivable	(200,872)	(368,749)
Prepaid expenses and other assets	19,727	(9,752)
Accounts payable	13,694	1,135
Accrued expenses	71,222	(10,431)
Deferred revenue	(18,250)	57
<b>Net cash provided by (used in) operating activities</b>	<b>222,134</b>	<b>78,872</b>
<b>Investing Activities</b>		
Purchase of investments	(734,528)	(695,926)
Proceeds from sale of investments	797,576	777,253
Purchase of property and equipment	(169,320)	(134,479)
<b>Net cash provided by (used in) investing activities</b>	<b>(106,272)</b>	<b>(53,152)</b>
<b>Financing Activities</b>		
Proceeds from notes payable	-	590,648
Payments on notes payable	(64,409)	(42,610)
<b>Net cash provided by (used in) financing activities</b>	<b>(64,409)</b>	<b>548,038</b>
Net change in cash and cash equivalents	51,453	573,758
Cash and cash equivalents, beginning of year	2,528,514	1,954,756
Cash and cash equivalents, end of year	\$ 2,579,967	\$ 2,528,514
<b>Schedule of Certain Cash Flow Information</b>		
Cash paid for interest	\$ 13,742	\$ 15,206

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

**Note 1 – DESCRIPTION OF THE ORGANIZATION**

Founded in Jacksonville, Florida in 1976, Hubbard House, Inc. (the “Organization”) operates the first emergency shelter for victims of domestic violence established in Florida. A ground-breaking initiative by a group of volunteers who recognized a critical need led to the creation of this Organization, resulting in the opening of the 13th domestic violence center in the Southeast. The Organization’s mission is safety, empowerment, and social change for victims of domestic violence and their families. To that end, the Organization offers a full compendium of services for victims of domestic violence. Incorporating both intervention and prevention, program offerings cover an array of needs presented by families caught in the web of domestic abuse. Through innovative approaches addressing numerous aspects of the domestic abuse problem, the Organization has remained on the forefront in the effort to break the cycle of domestic violence in Northeast Florida.

**Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting***

The accompanying financial statements 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). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

***Use of Estimates***

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

***Cash and Cash Equivalents***

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

***Grants Receivable***

Grants receivable are for grants earned from governmental agencies. The Organization has determined that an uncollectible allowance is not required, and the balance is expected to be fully collectible.

**Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Investments***

The Organization reports investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

***Property and Equipment***

All acquisitions of property, improvements, equipment, and donated assets are capitalized if their cost or fair value is greater than or equal to \$1,000. Assets that are repaired where the costs are greater than or equal to \$1,000 and the assets' life is extended are also capitalized; otherwise they are expensed. Repairs and maintenance are expensed as incurred. Depreciation is computed using primarily the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building and improvements	5-39
Equipment and furnishings and vehicles	5-10

***Net Assets***

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and capital assets reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

**Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

***Revenue Recognition***

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

The Organization receives funding from federal, state, and local governments as financial assistance for its program services. Grant revenues are recognized when the requirements under the grant have been fulfilled. Amounts received that do not meet the criteria for revenue recognition described above are deferred revenue until all criteria have been fulfilled. Grant funding received as advances are recorded as refundable advances until the conditions of the grant have been met or amounts have been refunded.

Thrift store revenues are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied. Prior to the adoption of ASC 606, the Company recognized revenue when persuasive evidence of an arrangement existed, delivery of products had occurred, the sales price was fixed or determinable and collectability was reasonably assured.

***Donated Assets***

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

***Donated Services***

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

**Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Functional Allocation of Expenses***

The costs of providing program services, management and general, and fundraising activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Program service costs that can be directly identified with a program are charged to the appropriate program, and costs that can be directly identified as fundraising are charged to fund-raising expense. Supporting services, including administration and senior management costs, are allocated to programs, management and general, and fundraising based on estimates of time spent on those activities.

***Advertising***

The Organization uses advertising costs for community outreach services, thrift store and the hot line. Advertising costs are expensed as incurred. Advertising expense for 2021 and 2020 totaled \$7,250 and \$6,356, respectively.

***Income Taxes***

The Organization is a not-for-profit organization that is exempt from income tax under section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Organization takes positions which it feels are adhering to the laws established by the taxing authorities; therefore, the Organization does not believe it has taken any uncertain tax positions which could subject it to penalties or interest and none have been accrued in the accompanying financial statements.

***Reclassifications***

Certain reclassifications were made to prior year balances to conform to current year presentation.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, October 21, 2021. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

***Recent Accounting Pronouncements***

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize assets and liabilities on the consolidated statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is currently evaluating the impact of this ASU on the Organization's financial reporting.

**Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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. This change in accounting principal is effective for fiscal years beginning after June 15, 2021. The Organization is evaluating the impact of this ASU on the Organization’s financial reporting.

**Note 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Organization’s expenditures come due. The Organization has access to a \$200,000 line of credit, if needed. Additional funds of approximately \$20,000 are provided annually through an endowment established for the benefit of the Organization. The following reflects the Organization’s financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>June 30,</i>	<b>2021</b>	2020
Cash and cash equivalents	\$ 2,579,967	\$ 2,528,514
Grants receivable	1,007,041	806,169
Investments unrestricted	919,561	728,863
Investments restricted	883,450	764,981
Financial assets, at year-end	<b>5,390,019</b>	4,828,527
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions:		
Donor restricted for specific purpose	(27,896)	(20,000)
Donor restricted for specific program	(47,938)	(464,843)
Donor restricted endowment	(550,000)	(550,000)
Financial assets available to meet cash needs for general expenditures	<b>\$ 4,764,185</b>	\$ 3,793,684

**Hubbard House, Inc.**  
**Notes to Financial Statements**

**Note 4 – INVESTMENTS**

The Organization has investments consisting of the following:

<i>June 30, 2021</i>	Cost	Market Value	Unrealized Gain
Money market funds	\$ 60,900	\$ 60,900	\$ -
Government securities	439,652	442,703	3,051
Corporate bonds	92,963	93,101	138
Equity securities	892,571	1,206,307	313,736
<b>Total unrestricted and restricted investments</b>	<b>\$ 1,486,086</b>	<b>\$ 1,803,011</b>	<b>\$ 316,925</b>

<i>June 30, 2020</i>	Cost	Market Value	Unrealized Gain
Money market funds	\$ 53,916	\$ 53,916	\$ -
Government securities	342,462	356,293	13,831
Corporate bonds	77,568	78,843	1,275
Equity securities	933,592	1,004,792	71,200
<b>Total unrestricted and restricted investments</b>	<b>\$ 1,407,538</b>	<b>\$ 1,493,844</b>	<b>\$ 86,306</b>

Unrealized investments gains/losses are reported in the statement of activities. The following summarizes net investment income of the Organization:

<i>For the years ended June 30,</i>	2021	2020
Interest and dividends	\$ 41,180	\$ 62,051
Net realized and unrealized gains	372,215	11,300
Brokerage fees	(16,816)	(17,068)
<b>Total investment return</b>	<b>\$ 396,579</b>	<b>\$ 56,283</b>

**Note 5 – FAIR VALUE MEASUREMENTS**

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.



**Note 5 – FAIR VALUE MEASUREMENTS (Continued)**

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- 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; or
  - can be 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.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021 and 2020.

*Money market funds:* Valued using a net asset value of \$1.

*Government securities and corporate bonds:* Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

*Equity securities:* Valued at the daily closing price as reported by the fund. Securities held by the Organization are registered with the SEC. These securities are required to publish their daily net asset value (NAV) and to transact at that price. The securities held by the Organization are deemed to be actively traded.

**Hubbard House, Inc.**  
**Notes to Financial Statements**

**Note 5 – FAIR VALUE MEASUREMENTS (Continued)**

The following are the major categories of assets measured at fair value on a recurring basis:

<i>June 30, 2021</i>	Fair value	Level 1	Level 2	Level 3
Money market funds	\$ 60,900	\$ 60,900	\$ -	\$ -
Government securities	442,703	348,335	94,369	-
Corporate bonds	93,101	71,582	21,519	-
Equity securities	1,206,307	1,205,390	917	-
<b>Total investments</b>	<b>\$ 1,803,011</b>	<b>\$ 1,686,207</b>	<b>\$ 116,805</b>	<b>\$ -</b>

<i>June 30, 2020</i>	Fair value	Level 1	Level 2	Level 3
Money market funds	\$ 53,916	\$ 53,916	\$ -	\$ -
Government securities	356,293	283,323	72,970	-
Corporate bonds	78,843	76,184	2,659	-
Equity securities	1,004,792	1,004,792	-	-
<b>Total investments</b>	<b>\$ 1,493,844</b>	<b>\$ 1,418,215</b>	<b>\$ 75,629</b>	<b>\$ -</b>

**Note 6 – PROPERTY AND EQUIPMENT**

The components of property and equipment are as follows:

<i>June 30,</i>	2021	2020
Land	\$ 1,926,616	\$ 1,926,616
Building and related improvements	4,907,743	4,858,293
Equipment and furnishings	734,288	769,645
Vehicles	108,507	100,574
Outreach center	1,586,555	1,586,555
Leasehold improvements	144,231	144,231
Artwork	56,700	-
<b>Total property and equipment</b>	<b>9,464,640</b>	<b>9,385,914</b>
<b>Less, accumulated depreciation</b>	<b>3,861,899</b>	<b>3,791,764</b>
<b>Property and equipment, net</b>	<b>\$ 5,602,741</b>	<b>\$ 5,594,150</b>

Depreciation expense for the year ended June 30, 2021 and 2020 totaled \$217,426 and \$219,281, respectively.

**Hubbard House, Inc.**  
**Notes to Financial Statements**

**Note 7 – NOTES PAYABLE**

The Organization's obligations under its notes payable consist of the following:

<i>June 30,</i>	<b>2021</b>	<b>2020</b>
A \$500,000 mortgage loan with a housing finance authority bearing an interest rate of 2.00% per annum, monthly installments of principal and interest of \$1,635 are due through March 1, 2026.	\$ 86,745	\$ 104,420
A \$448,000 loan with a financial institution bearing an interest rate of 5% per annum, commencing on July 17, 2009, monthly installments of principle and interest of \$3,183 are due through February 17, 2028.	<b>213,290</b>	239,924
A \$590,649 loan with a financial institution bearing an interest rate of 1% per annum, commencing on September 3, 2021, installments of principle and interest of \$24,867 are due monthly with the remaining outstanding principle balance due May 3, 2022.	-	590,649
<b>Total notes payable</b>	<b>\$ 300,035</b>	<b>\$ 934,993</b>

In May 2020, the Organization received a loan in the amount of \$590,649 under the Paycheck Protection Program (PPP), pursuant to the CARES ACT and administered by the SBA. In June 2021, the Small Business Administration forgave a portion of the PPP note payable totaling \$570,549 and paid the lender on behalf of the Organization. A gain on debt forgiveness has been recognized on the Statement of Activities for the year ended June 30, 2021 in the amount of \$570,549 related to the forgiveness of the PPP loan as all requirements to support forgiveness had been met. The remaining \$20,099 not forgiven by the SBA was paid directly to the lender by the Organization.

Notes payable are scheduled to mature as follows:

<i>For the years ending June 30,</i>	<b>Amount</b>
2022	\$ 46,047
2023	47,865
2024	49,747
2025	51,753
2026	48,267
Thereafter	56,356
<b>Total</b>	<b>\$ 300,035</b>

Interest expense totaled \$13,742 and \$15,206 for the years ended June 30, 2021 and 2020, respectively.

**Note 8 – LINE OF CREDIT**

The Organization has secured a \$200,000 line of credit with a financial institution for short-term working capital requirements. The advances under the line of credit accrue interest per annum at the bank's prime rate. The advances are secured by furniture, fixtures and equipment. No advances were outstanding at June 30, 2021 and 2020.

**Note 9 – NET ASSETS WITH DONOR RESTRICTIONS**

The following is a summary of net assets with donor restrictions:

<i>June 30,</i>	<b>2021</b>	<b>2020</b>
Endowment-Shelter	\$ 550,000	\$ 550,000
Specific program	47,938	464,843
Specific purpose	27,896	20,000
<b>Total net assets with donor restrictions</b>	<b>\$ 625,834</b>	<b>\$ 1,034,843</b>

**Note 10 – CONCENTRATION OF REVENUE**

For the year ended June 30, 2021 and 2020, 66% and 55%, respectively, of revenue was derived from governmental sources.

**Note 11 – SUPPORT RECEIVED WHICH REQUIRED MATCH**

The Organization receives a substantial portion of its support under grant contracts with several Federal and State of Florida governmental agencies. These contracts are renegotiated annually. Although a maximum amount is established during the negotiation process, income is earned on a reimbursement basis; that is, income can be recognized only to the extent of eligible expenses incurred. The Organization had fixed price and/or unit of service contracts that required cost sharing or match. The Organization met the matching requirements of these contracts for the years ending June 30, 2021 and 2020.

**Note 12 – ENDOWMENTS**

**Hubbard House Shelter Endowments**

A gift was received to establish an endowment for the maintenance and preservation of the Organization's current shelter. The gift places restrictions on the use of the endowment's principal and income. In any given fiscal year, the income of the fund, not to exceed five percent of the market value of the fund at the close of the previous fiscal year, may be disbursed. The remaining income would increase the endowment funds to offset the effects of inflation. The endowment funds corpus of \$550,000 may be used to repair the structure should it suffer a catastrophic event. The funds in this endowment are restricted in perpetuity under the provision of the gift agreement. The Organization has established an investment policy to manage the endowment funds.

**Hubbard House, Inc.**  
**Notes to Financial Statements**

**Note 12 – ENDOWMENTS (Continued)**

Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities. The Organization expects its endowment assets, over time, to produce an average rate of return of which exceeds 5% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

Endowment net asset composition by type of fund follows:

<i>June 30,</i>	<b>2021</b>	2020
Endowment funds with donor restrictions	\$ 550,000	\$ 550,000
Board-designated endowment funds without donor restrictions	333,450	214,981
<b>Total endowment funds</b>	<b>\$ 883,450</b>	<b>\$ 764,981</b>

During the year ended June 30, 2021, an additional \$49,825 was approved by the trustee of the endowment as additional expenditure to be used for repairs. Changes in endowment net assets follow:

<i>June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2021 Total
Endowment net assets, beginning of year	\$ 214,981	\$ 550,000	\$ 764,981
Investment income	21,011	-	21,011
Net appreciation (depreciation)	184,838	-	184,838
Amounts appropriated for expenditure	(87,380)	-	(87,380)
<b>Endowment net assets, end of year</b>	<b>\$ 333,450</b>	<b>\$ 550,000</b>	<b>\$ 883,450</b>

<i>June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2020 Total
Endowment net assets, beginning of year	\$ 202,142	\$ 550,000	\$ 752,142
Investment income	30,756	-	30,756
Net appreciation (depreciation)	12,083	-	12,083
Amounts appropriated for expenditure	(30,000)	-	(30,000)
<b>Endowment net assets, end of year</b>	<b>\$ 214,981</b>	<b>\$ 550,000</b>	<b>\$ 764,981</b>

**Note 12 – ENDOWMENTS (Continued)**

In addition, a gift designated for the Organization was made to the Community Foundation for Northeast Florida during the year ended June 30, 2007. The funds are managed by the Community Foundation for Northeast Florida, and on an annual basis the net investment income will be made available to support the Organization's ongoing operation. Distributions totaling \$20,882 and \$22,805 were made for the years ended June 30, 2021 and 2020, respectively, which are recorded as contributions revenue in the Statements of Activities. All amounts relating to this endowment fund are excluded from the accompanying financial statements. The balance was \$673,074 and \$550,155 at June 30, 2021 and 2020, respectively.

**Note 13 – CONCENTRATION OF CREDIT**

The Organization maintains cash balances at a financial institution, which may at times exceed Federal Deposit Insurance Corporation (FDIC) limits. Accounts at each institution are insured by the FDIC up to \$250,000. The Company has not experienced any losses in such accounts. Cash in excess of insured limits at June 30, 2021 and 2020 totaled \$2,409,027 and \$2,386,693, respectively.

**Note 14 – TAX-DEFERRED ANNUITY PLAN**

The Organization participates in a tax deferred annuity plan under Internal Revenue Service Code 403(b). Employees working 1,000 hours per year with more than two (2) years of continuous service are eligible for the plan and can contribute into the plan up to IRS yearly limits. The employer may contribute up to 5% of the eligible wages into the plan. For the year ending June 30, 2021 and 2020, employer contributions totaled \$104,066 and \$99,762, respectively.

**Note 15 – RELATED PARTY TRANSACTIONS**

The Organization received \$345,434 and \$286,842 in unrestricted contributions from its affiliate, Hubbard House Foundation, Inc. for the year ended June 30, 2021 and 2020, respectively. The Organization also received \$50,000 from Hubbard House Foundation, Inc. for management and general expenses for both years ended June 30, 2021 and 2020. These amounts are included in public contributions in the statement of activities.

**Note 16 – SALES TO THE PUBLIC (THRIFT STORE)**

The Organization operates a thrift store in Jacksonville and solicits clothing, furniture and other articles for sale to the public. The inventory of unsold clothing and articles on hand at June 30, 2021 and 2020 are not included in the financial statements since they were determined to be immaterial.

**Hubbard House, Inc.**  
**Notes to Financial Statements**

**Note 16 – SALES TO THE PUBLIC (THRIFT STORE) (Continued)**

The following is the activity of the thrift store.

<i>For the years ended June 30,</i>	<b>2021</b>	<b>2020</b>
Sales, net of sales tax	\$ 289,695	\$ 262,330
Recycling, net	851	1,832
<b>Total sales and recycling</b>	<b>290,546</b>	<b>264,162</b>
Expenses:		
Personnel	199,322	183,038
Supplies	1,966	2,138
Telephone	3,230	10,197
Occupancy	32,840	32,765
Advertising	3,280	3,229
Transportation	1,897	7,676
Insurance	20,144	22,492
Other	12,070	13,062
<b>Total expenses</b>	<b>274,749</b>	<b>274,598</b>
<b>Gain (loss) on thrift store sales, net</b>	<b>\$ 15,797</b>	<b>\$ (10,436)</b>

**Note 17 – COMMITMENTS**

The Organization leases certain office space and equipment accounted for as operating leases. Total lease expense for the years ended June 30, 2021 and 2020 was \$7,721 and \$7,314, respectively. The leases expire in various years through 2026.

The minimum future lease payments required under the operating leases as of June 30, 2021 are as follows:

<i>For the years ending June 30,</i>	<b>Amount</b>
2022	\$ 9,038
2023	9,038
2024	9,038
2025	5,637
2026	4,502
Thereafter	1,501
<b>Total future minimum lease payments</b>	<b>\$ 38,754</b>

**Note 18– UNCERTAINTIES**

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the Organization. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.



## **SUPPLEMENTARY INFORMATION**

**Hubbard House, Inc.**  
**Schedule of Expenditures of Federal Awards**  
**Year ended June 30, 2021**

Federal Grantor/Pass -Through Grantor/Program	CFDA/CSFA Number	Contract Grant Number	Expenditures	Total by Program	Pass through to subrecipients
<b>Federal Grantor/Pass -Through Grantor/Program</b>					
<i>US Department of Health and Human Services/ Florida Coalition Against Domestic Violence/ Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Serv</i>					
Temporary Assistance for Needy Families	93.671	LN050	\$ 301,190	\$ 301,190	\$ -
	93.558	LN050	242,860	242,860	-
<b>Total US Department of Health and Human Services</b>			<b>544,050</b>		
<i>US Department of Justice/ State of Florida Department of Legal Affairs/ Crime Victim Assistance</i>					
Crime Victim Assistance	16.575	V00178	242,129		-
Crime Victim Assistance	16.575	V00179	7,853		-
Crime Victim Assistance	16.575	V00664	1,164,889		-
Crime Victim Assistance	16.575	V00665	33,726		-
<i>Florida Coalition Against Domestic Violence</i>					
Crime Victim Assistance	16.575	20-2214-VOCA Legal	75,928		-
Crime Victim Assistance	16.575	20-2214-EJ VOCA	13,425	1,537,950	-
State Domestic Violence Against Women	16.588	LN051	59,360	59,360	-
Education, Training, & Enhanced Services to End Violence Against & Abuse of Women with	16.529	2018-X0012-FL-EW	1,005		-
Education, Training, & Enhanced Services to End Violence Against & Abuse of Women with	16.529	2018-X0012-FL-EW	2,198		-
Education, Training, & Enhanced Services to End Violence Against & Abuse of Women with	16.529	601878-20	12,306	15,509	-
<b>Total US Department of Justice</b>			<b>1,612,819</b>		
<i>US Department of Housing and Urban Development/ Changing Homeless Jacksonville, Inc./ Continuum of Care Program</i>					
Continuum of Care Program	14.267	FL073IL4H101800	34,822		-
Continuum of Care Program	14.267	FL073IL4H101901	391,485		-
Continuum of Care Program	14.267	FL073IL4H102002	36,198	462,505	-
Safe Space Project	14.U01	FL0526L4H101905	37,924		-
Safe Space Project	14.U01	FL0526L4H101006	13,221	51,145	-
<b>Total US Department of Housing and Urban Development</b>			<b>513,650</b>		
<i>US Department of Agriculture State of Florida/Florida Department of Health/ Child and Adult Care Food Program</i>					
Child and Adult Care Food Program	10.558	I-065	1,035	1,035	-
<b>Total US Department of Agriculture</b>			<b>1,035</b>		
<i>Federal Emergency Management Agency/ Emergency Food and Shelter National Board Program</i>					
Emergency Food and Shelter National Board Program	97.024	160800-013	44,100	44,100	-
<b>Total Federal Emergency Management Agency</b>			<b>44,100</b>		
<i>US Department of Education State of Florida/Florida Department of Education/ Early Learning Coalition of Duval Child Care and Development Block Grant</i>					
Child Care and Development Block Grant	93.575	-	5,033	5,033	-
<b>Total US Department of Education</b>			<b>5,033</b>		
<i>US Department of the Treasury State of Florida/Florida Division of Emergency Management City of Jacksonville COVID-19- Coronavirus Relief Fund</i>					
COVID-19- Coronavirus Relief Fund	21.019	591814635	63,103	63,103	-
<b>Total US Department of Education</b>			<b>63,103</b>		
<b>Total Expenditures of Federal Awards</b>			<b>\$ 2,783,790</b>	<b>\$ 2,783,790</b>	<b>\$ -</b>

See notes to Schedule of Expenditures of Federal Awards.

## Notes to Schedule of Expenditures of Federal Awards

### Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Basis of Presentation*

The accompanying schedule of expenditures of federal awards includes the federal spending Hubbard House, Inc. (the "Organization") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not represent the financial position of the Organization.

### Note 2 – INDIRECT COST RATE

The Uniform Guidance allows an organization to elect a 10% de minimis indirect cost rate. During the year ended June 30, 2021, the Organization did elect to use the allowed 10% indirect cost rate.

### Note 3 – LOAN/LOAN GUARANTEE OUTSTANDING BALANCES

The Organization did not have any federal loans or loan guarantees outstanding during the year ended June 30, 2021.

### Note 4 – SUBRECIPIENTS

During the year ended June 30, 2021, the Organization had no subrecipients.

### Note 5 – NONCASH ASSISTANCE AND OTHER

The Organization did not receive any noncash assistance of federal funded insurance during the year ended June 30, 2021.

### Note 6 – CONTINGENCIES

Grant monies received and disbursed by the Organization are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon experience, the Organization does not believe that such disallowance, if any, would have a material effect on the financial position of the Organization.

**Notes to Schedule of Expenditures of Federal Awards**

**Note 7 – FEDERAL PASS-THROUGH ENTITIES**

The Organization is also the sub-recipient of federal funds that have been subjected to testing and are reported as expenditures and listed as federal pass-through funds. Federal awards other than those indicated as pass-through are considered to be direct.

**Hubbard House, Inc.**  
**Schedule of Source and Expenditures of City Grant Funds**  
**Year ended June 30, 2021**

**City of Jacksonville Public Service Grants for Fiscal Year 2020/2021 Audit\***

**Receipt of City Funds**

	<u>City FY 2019- 2020 Grant No. 7027-89</u>	<u>City FY 2020- 2021 Grant No. 616084-21</u>
Amount of Award	\$ 150,000	\$ 150,000
Actual Funds Received from City in last audit period	(109,905)	-
Actual Amount Received this period	<u>(39,175)</u>	<u>(115,636)</u>
Amount Remaining	<u>\$ 920</u>	<u>\$ 34,364</u>

**Expenditures of City Funds**

City FY 2019-2020 Grant No. 7027-89

<u>Item</u>	<u>(Unaudited) Budget</u>	<u>Actual 10/1/2019 - 6/30/2020</u>	<u>Actual 7/1/2020 - 9/30/2020</u>	<u>Total Actual</u>	<u>Remaining Balance</u>
Telephone	\$ 37,000	\$ 28,348	\$ 8,652	\$ 37,000	\$ -
Utilities	90,000	63,525	25,556	89,081	919
Security Monitoring	23,000	18,032	4,967	22,999	1
Total	<u>\$ 150,000</u>	<u>\$ 109,905</u>	<u>\$ 39,175</u>	<u>\$ 149,080</u>	<u>\$ 920</u>

City FY 2020-2021 Grant No. 616084-21

<u>Item</u>	<u>(Unaudited) Budget</u>	<u>Actual 10/1/2020 - 6/30/2021</u>	<u>Actual 7/1/2021 - 9/30/2021</u>	<u>Total Actual</u>	<u>Remaining Balance</u>
Telephone	\$ 36,000	\$ 35,943	\$ -	\$ 35,943	\$ 57
Utilities	94,000	64,894	-	64,894	29,106
Security Monitoring	20,000	14,799	-	14,799	5,201
Total	<u>\$ 150,000</u>	<u>\$ 115,636</u>	<u>\$ -</u>	<u>\$ 115,636</u>	<u>\$ 34,364</u>

\*per Ordinance Code Chapter 118.205(e)

**Hubbard House, Inc.**  
**Schedule of Source and Expenditures of City Grant Funds**  
**Year ended June 30, 2021**

**City of Jacksonville Public Service Grants for Fiscal Year 2020/2021 Audit\* (continued)**

<u>Receipt of City Funds</u>	<u>City FY 2019- 2020 Grant No. 7027-90</u>	<u>City FY 2019- 2020 Grant No. 616096.21</u>
Amount of Award	\$ 44,340	\$ 46,758
Actual Funds Received from City in last audit period	(33,204)	-
Actual Amount Received this period	<u>(8,561)</u>	<u>(22,989)</u>
Amount Remaining	<u>\$ 2,575</u>	<u>\$ 23,769</u>

**Expenditures of City Funds**

City FY 2018-2019 Grant No. 7027-87

<u>Item</u>	<u>(Unaudited) Budget</u>	<u>Actual 10/1/2019 - 6/30/2020</u>	<u>Actual 7/1/2020 - 9/30/2020</u>	<u>Total Actual</u>	<u>Remaining Balance</u>
Wages	\$ 33,891	\$ 25,230	\$ 6,248	\$ 31,478	\$ 2,413
FICA	2,285	1,771	439	2,210	75
Health	6,000	4,500	1,500	6,000	-
Dental	96	-	8	8	88
Life	579	452	127	579	-
Workers Comp.	1,464	1,218	246	1,464	-
Unemployment Ins.	25	33	(7)	26	(1)
Total	<u>\$ 44,340</u>	<u>\$ 33,204</u>	<u>\$ 8,561</u>	<u>\$ 41,765</u>	<u>\$ 2,575</u>

City FY 2020-2021 Grant No. 616096.21

<u>Item</u>	<u>(Unaudited) Budget</u>	<u>Actual 10/1/2020 - 6/30/2021</u>	<u>Actual 7/1/2021 - 9/30/2021</u>	<u>Total Actual</u>	<u>Remaining Balance</u>
Wages	\$ 34,606	\$ 20,272	\$ -	\$ 20,272	\$ 14,334
FICA	2,353	1,551	-	1,551	802
Health	6,000	-	-	-	6,000
Dental	-	-	-	-	-
Life	592	69	-	69	523
Workers Comp.	1,879	1,067	-	1,067	812
Unemployment Ins.	30	30	-	30	-
Retirement	1,298	-	-	-	1,298
Total	<u>\$ 46,758</u>	<u>\$ 22,989</u>	<u>\$ -</u>	<u>\$ 22,989</u>	<u>\$ 23,769</u>

\*per Ordinance Code Chapter 118.205(e)

**Hubbard House, Inc.**  
**Schedule of Source Expenditures of City Grant Funds**  
**Year ended June 30, 2021**

**City of Jacksonville Disabilities Grant for Fiscal Year 2020/2021 Audit\* (concluded)**

**Receipt of City Funds**

	City FY 2020-2022 Grant No.
Amount of Award (per City budget ordinance)	\$ 160,844
Actual Funds Received from City in Prior Years	-
Actual Funds Received from City in Prior Period	-
Actual Funds Received from City in Last Audit Period	(7,539)
Actual Amount Received this Period	(12,306)
Amount Remaining	\$ 140,999

**Expenditures of City Funds**

City FY 2020 - 2022 Grant No. 601878-20 - \$160,844

	(Unaudited) Budget	Actual 1/1/2020 - 6/30/2020	Actual 7/1/2020 - 9/30/2020	Actual 10/1/2020 - 6/30/2021	Actual 7/1/2021 - 9/30/2021	Total Actual	Remaining Balance
<b>Compensation</b>							
Wages - Lead Education Specialist	\$ 34,320	\$ 6,316	\$ 3,223	\$ 7,210	\$ -	\$ 16,749	\$ 17,571
Wages - Victim Advocate	72,000	-	-	-	-	-	72,000
<b>Benefits</b>							
<b>Lead Education Specialist</b>							
FICA and Med Tax	2,626	484	248	558	-	1,290	1,336
Retirement	1,716	385	161	338	-	884	832
Worker's Compensation	948	332	175	314	-	821	127
Unemployment	150	22	-	79	-	101	49
<b>Victim Advocate</b>							
FICA and Med Tax	7,832	-	-	-	-	-	7,832
Health Insurance	15,902	-	-	-	-	-	15,902
Retirement	5,118	-	-	-	-	-	5,118
Worker's Compensation	2,038	-	-	-	-	-	2,038
Unemployment	442	-	-	-	-	-	442
Dental	192	-	-	-	-	-	192
Disability	312	-	-	-	-	-	312
Long Term Care	164	-	-	-	-	-	164
<b>Supplies</b>							
Office Supplies	3,000	-	-	-	-	-	3,000
<b>Telephone</b>							
Telephone Lease & Maintenance	1,800	-	-	-	-	-	1,800
<b>Occupancy</b>							
Building Repair & Maintenance	-	-	-	-	-	-	-
Printing	-	-	-	-	-	-	-
<b>Travel</b>							
Local Travel	534	-	-	-	-	-	534
OWV Training/Travel	3,750	-	-	-	-	-	3,750
<b>Assistance to Individuals</b>							
Interpretation Services & Client Travel	8,000	-	-	-	-	-	8,000
<b>Equipment</b>							
Laptop Computer	-	-	-	-	-	-	-
Docking Station	-	-	-	-	-	-	-
Setup and Support	-	-	-	-	-	-	-
Computer Supplies & Support	-	-	-	-	-	-	-
Tablet for Emergency Communication	-	-	-	-	-	-	-
Deaf Related Apps	-	-	-	-	-	-	-
Wireless Mobile Printer	-	-	-	-	-	-	-
Portable Hot Spot	-	-	-	-	-	-	-
<b>Total</b>	\$ 160,844	\$ 7,539	\$ 3,807	\$ 8,499	\$ -	\$ 19,845	\$ 140,999

\*per Ordinance Code Chapter 118.205(e)

## **ADDITIONAL REPORTS**



**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 of  
Hubbard House, Inc.  
Jacksonville, Florida

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 Hubbard House, Inc. (the "Organization"), which comprise statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 21, 2021.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. 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.

*Car, Riggs & Ingram, L.L.C.*

Jacksonville, Florida

October 21, 2021



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

To the Board of Directors of  
Hubbard House, Inc.  
Jacksonville, Florida

### **Report on Compliance for Each Major Federal Program**

We have audited Hubbard House, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2021. The Organization's major federal programs are identified in the summary of auditor's 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 the Organization'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 the Organization'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 the Organization's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Hubbard House, 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.

### **Report on Internal Control Over Compliance**

Management of the Organization 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 the Organization'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 the Organization'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.

*Caru, Riggs & Ingram, L.L.C.*

Jacksonville, Florida  
October 21, 2021

**Hubbard House, Inc.**  
**Schedule of Findings and Questioned Costs**  
**Year ended June 30, 2021**

**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditors’ report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weaknesses identified?   | No         |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements noted?                     | No         |

*Federal Awards*

- |  |                                  |                         |        |                         |  |
|--|----------------------------------|-------------------------|--------|-------------------------|--|
| 1. Type of auditors’ report issued on compliance for major programs  | Unmodified                       |                         |        |                         |  |
| 2. Internal control over major programs:   |                                  |                         |        |                         |  |
| a. Material weaknesses identified?   | No                               |                         |        |                         |  |
| b. Significant deficiencies identified not considered to be material weaknesses?   | None noted                       |                         |        |                         |  |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)?   | No                               |                         |        |                         |  |
| 4. Identification of major programs:   |                                  |                         |        |                         |  |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><u>Assistance Listing Number</u></td> <td style="width: 50%; text-align: center;"><u>Federal Programs</u></td> </tr> <tr> <td style="text-align: center;">16.575</td> <td style="text-align: center;">Crime Victim Assistance</td> </tr> </table> | <u>Assistance Listing Number</u> | <u>Federal Programs</u> | 16.575 | Crime Victim Assistance |  |
| <u>Assistance Listing Number</u>   | <u>Federal Programs</u>          |                         |        |                         |  |
| 16.575   | Crime Victim Assistance          |                         |        |                         |  |
| 5. Dollar threshold used to distinguish between type A and type B programs:  | \$750,000                        |                         |        |                         |  |
| 6. Auditee qualified as low-risk auditee under 2 CFR 200.520?  | Yes                              |                         |        |                         |  |

**Section II – FINANCIAL STATEMENT FINDINGS**

No matters are reportable.

**Section III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters are reportable.

**Hubbard House, Inc.**  
**Schedule of Findings and Questioned Costs**  
**Year ended June 30, 2021**

**Section IV – PRIOR FINDINGS AND QUESTION COSTS FOR FEDERAL AWARDS**

No matters are reportable.