

HOME OF HOPE, INC

FINANCIAL REPORT

FOR YEAR ENDED DECEMBER 31, 2021

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American Tax Service
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Home of Hope, Inc.
Hillsborough, CA

Report on the Financial Statements

I have audited the accompanying financial statements of Home of Hope, Inc., which comprise the balance sheet as of December 31, 2021, and the related statements of income and retained earnings, and cash flows for the period 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Home of Hope, Inc. as of December 31, 2021, and the results of its operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.



San Jose, CA
January 24, 2023

HOME OF HOPE, INC
STATEMENT OF FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 2021

ASSETS

Current Assets:

Cash and cash equivalents	813,350
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Total current assets	<u>813,350</u>
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TOTAL ASSETS	<u><u>813,350</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	0
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Total current liabilities	<u>0</u>
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Unrestricted net assets	813,350
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TOTAL LIABILITIES AND NET ASSETS	<u><u>813,350</u></u>
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HOME OF HOPE, INC
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

	FY 2021
PUBLIC SUPPORT AND REVENUE:	
Contributions	743,045
Fundraising Events	0
Other	0
Total support and revenue	743,045
 EXPENSES:	
 Program services - grants to projects	596,810
Supporting services:	
General and administrative	12,751
Fundraising and development	0
 Total expenses	609,561
 Total change in assets	133,484
 Net assets at beginning of period	679,866
Net assets at end of period	813,350

HOME OF HOPE, INC
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash Flows from Operating Activities:

Change in net assets	133,484
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities	
Net cash provided by operating activities	133,484
NET INCREASE/(DECREASE) IN CASH	133,484
CASH AT BEGINNING OF YEAR	679,866
CASH AT END OF YEAR	813,350

HOME OF HOPE, INC
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program Services	General and Administrative	Fundraising	Total Expenses
Projects Funded:				
Center for Cross Cultural Commission	28,772			28,772
Children's Home of Hope	53,000			53,000
Manovikas Charitable Society	91,000			91,000
Mijwan Welfare Society	40,300			40,300
Pehl	20,000			20,000
Pingalware Welfare Society	16,520			16,520
Prajwala	30,000			30,000
SaiDham	50,000			50,000
SanRai International LLC	86,850			86,850
Siruthuli	27,640			27,640
SSS	64,578			64,578
Udayan Care	84,150			84,150
VAMSF	4,000			4,000
Bank service charges		3,631		3,631
Dues & subscriptions		2,026		2,026
Accounting expense		3,000		3,000
Fundraising Expense		4,094		4,094
Total Expenses	596,810	12,751		609,561

See accompanying notes to the financial statements

HOME OF HOPE, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1. ORGANIZATION

The purpose of Home of Hope, Inc. (HOH) is a non-profit organization that was formed in 1998 and incorporated in 1999. The mission of the Organization is to provide opportunities which empower disadvantaged and underprivileged youth to become self-sustaining adults of tomorrow.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of reporting

The accompanying financial statements are prepared on the accrual basis of accounting. Financial statement presentation follows the recommendations of the Accounting Standard Codification ("ASC") ASC 958 for Not-for-Profit Organizations.

Use of estimates

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

Cash and cash equivalents

The Organization's cash and cash equivalents consist of amounts held in checking and savings accounts. For purposes of the Statement of Cash Flows, the Organization considers all highly liquid cash and cash equivalents available for current use.

At times during the year, the Organization maintains cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits. Management believes the risk in these situations to be minimal.

Financial Statement Presentation

The financial statements have been prepared in accordance with accounting standards for nonprofit organizations, in which the Organization is required to report information regarding its financial position and activities according to three classes of net assets: Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

Unrestricted net assets include those assets over which the Board of Directors has discretionary control in carrying out the operations of the Organization.

Temporary restricted net assets include those, which are subject to donor restriction and for which applicable restriction was not met at the end of the current reporting period. The Organization has no temporarily restricted net assets at December 31, 2021.

Permanently restricted net assets include those subject to non-expiring donor restriction. The Organization has no permanently restricted net assets at December 31, 2021.

HOME OF HOPE, INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Income taxes.

The Organization is exempt from Federal and State Income Taxes under Section 501 (c) (3) of the Internal Revenue Code and Section 23701 (d) of the Revenue and Taxation Code of the State of California. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization has been classified as a publicly supported organization as described in Section 170(b)(1)(A)(vi) of the Internal Revenue Code. Accordingly, donors are entitled to deduct the maximum charitable contribution allowed by law.

Contributions.

The Organization recognizes grants and donor contributions upon earlier of receipt or when an agreement has been executed. Contributions without donor-imposed restrictions are reported as unrestricted support. Contributions with donor-imposed restrictions are reported as temporarily restricted net assets and are then reclassified to unrestricted net assets when the restrictions have been satisfied, that is, when a stipulated time restriction ends or purpose restriction is accomplished. Unconditional promises to give are recorded as promises are made. Conditional promises to give are not included as contributions until such time as the conditions are met.

All contributions received by the Organization are considered to be available for unrestricted use as they are solicited from the public for supporting the general activities of the Organization.

Contributed materials and services.

No amounts have been recognized in the financial statements for donated materials and services since no objective basis is available to measure the value of such service.

NOTE 3. SUBSEQUENT EVENTS

These financial statements considered subsequent events through January, 2023 the date the Financial Statements were made available