

WELCOME HOME, INC.

SUMMARY REPORT

DECEMBER 31, 2021

June 13, 2022

To the Board of Directors
of Welcome Home, Inc.

We appreciate the opportunity to assist the members of the Board of Directors of Welcome Home, Inc. (the Organization) in its governance and oversight function by providing annual audit services. Our audit reports for the year ended December 31, 2021, have been provided to management and include the following:

Financial Statements

This document contains the Organization's annual financial statements for the years ended December 31, 2021 and 2020, along with our report on those financial statements.

Highlights are as follows:

- We issued an “unmodified” or a “clean” opinion on the financial statements. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021 and 2020, and the changes in its net assets and cash flows for the years then ended in conformity with generally accepted accounting principles (GAAP).
- Management is responsible for the preparation and fair presentation of the financial statements, including the design and implementation of internal control. We prepared the financial statements, which were reviewed and approved by management.
- We used our judgment in determining how to audit the Organization. We focused our attention on areas where the financial statements could be misstated.
- We evaluated the appropriateness of accounting policies, the reasonableness of significant accounting estimates, and the overall financial statement presentation.

- The following summarizes the highlights from the statements of financial position as of December 31:

	<u>2021</u>	<u>2020</u>
Total current assets	\$ 1,738,140	\$ 893,416
Property and equipment, net	<u>3,076,949</u>	<u>3,157,906</u>
Total assets	<u>\$ 4,815,089</u>	<u>\$ 4,051,322</u>
Total liabilities	<u>\$ 121,575</u>	<u>\$ 114,697</u>
Net assets without donor restrictions	4,466,614	3,936,625
Net assets with donor restrictions	<u>226,900</u>	<u>-</u>
Total net assets	<u>4,693,514</u>	<u>3,936,625</u>
Total liabilities and net assets	<u>\$ 4,815,089</u>	<u>\$ 4,051,322</u>

- Total current assets increased \$845k (95%) due to increases in investments and inventory.
- Property and equipment, net decreased \$81k (-3%) due to current year fixed asset disposals, as well as current year depreciation expense exceeding current year fixed asset additions.
- Total liabilities were stable (increased \$7k (6%)).
- The following summarizes the highlights from the statements of activities for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Total revenues and other support	\$ 2,780,832	\$ 2,052,713
Total expenses	<u>(2,023,943)</u>	<u>(1,861,516)</u>
Change in net assets	<u>\$ 756,889</u>	<u>\$ 191,197</u>

- Total revenues and other support increased \$728k (35%) due to new grant funding.
- Total expenses increased \$162k (9%) due to increases in program activities.
- The financial statements also include statements of functional expenses, statements of cash flows, and notes to the financial statements.

Auditors' Communication Letter

This letter consists of comments about the audit process and its results that are required under our professional standards to be communicated to the governing board of an organization.

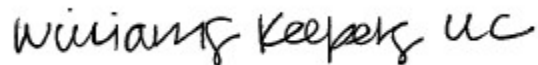
Highlights are as follows:

- We noted no transactions that we considered both unusual and significant. There were no changes in accounting policies during the year.

- The Organization will need to assess the impact of Financial Accounting Standards Board Accounting Standards Update No. 2016-02, *Leases (Topic 842)*, which will be effective for the Organization for the year ending December 31, 2022.
- We evaluated the estimates affecting the financial statements and found them reasonable in relation to the financial statements as a whole.
- We evaluated the disclosures in the financial statements and found them to be neutral, consistent, and clear. All required disclosures are included.
- We proposed three entries to correct material misstatements detected as a result of audit procedures, all of which were also corrected by management.
- We had no disagreements with management on accounting or auditing issues, we had no difficulties in performing our audit, and we felt we received full cooperation from the Organization’s staff.
- Internal control – although the scope of our engagement was not directed towards an opinion on the adequacy of internal control, we did not identify any material weaknesses in internal control as a result of our audit procedures.

We wish to thank the Organization’s personnel for their cooperation and assistance during our audit. The information in this report is intended solely for the use of the Board of Directors and management of the Organization.

Sincerely,

A handwritten signature in black ink that reads "Williams Keepers LLC". The signature is written in a cursive, slightly slanted style.

WILLIAMS KEEPERS LLC