St. Louis

REBUILDING TOGETHER - ST. LOUIS

FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

Mueller Prost
CPAs + Business Advisors

Advising with Vision®

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Board of Directors
Rebuilding Together - St. Louis
St. Louis, Missouri

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Rebuilding Together - St. Louis (a not-for-profit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rebuilding Together - St. Louis as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of Rebuilding Together - St. Louis as of and for the year ended June 30, 2019 were audited by other auditors. Those auditors expressed an unmodified opinion on those statements in their report dated October 11, 2019.

Mueller Prost LC

December 22, 2020 Certified Public Accountants
St. Louis, Missouri

REBUILDING TOGETHER - ST. LOUIS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

ASSETS	2020	2019
Current Assets		
Cash and cash equivalents	$ 373,053	$ 37,945
Grants receivable	115,987	156,778
Other current assets	44,795	15,149
Total Current Assets	533,835	209,872
Property and Equipment, net	46,537	8,983
Total Assets	**$ 580,372**	**$ 218,855**

LIABILITIES AND NET ASSETS	2020	2019
Current Liabilities		
Accrued expenses	$ 74,072	$ 66,347
Refundable advance on conditional grants	92,924	-
Current portion of long-term debt	5,891	-
Total Current Liabilities	172,887	66,347
Long-Term Liabilities		
Long-term debt, less current portion	10,528	-
Total Liabilities	183,415	66,347
Net Assets		
Without donor restriction	205,970	97,508
With donor restriction	190,987	55,000
Total Net Assets	396,957	152,508
Total Liabilities and Net Assets	**$ 580,372**	**$ 218,855**

The notes to financial statements are an integral part of these financial statements.

REBUILDING TOGETHER - ST. LOUIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support and other revenue:			
Grants	$ 507,715	$ 322,141	$ 829,856
Contributions			
Corporate	582,915	75,000	657,915
Corporate in-kind	52,742	-	52,742
Individuals	40,197	-	40,197
Individuals in-kind	154,437	-	154,437
Interest and other income	3,753	-	3,753
Total support and other revenue	1,341,759	397,141	1,738,900
Gross special events revenue, including contributions	42,308	-	42,308
Less: cost of direct benefits to donors	9,602	-	9,602
Net special events revenue	32,706	-	32,706
Net assets released from restrictions	261,154	(261,154)	-
Total Revenue	1,635,619	135,987	1,771,606
Expenses			
Program services			
Rebuilding Day	201,988	-	201,988
Major repairs	660,958	-	660,958
Other program	366,089	-	366,089
Total program services	1,229,035	-	1,229,035
Supporting services			
Management and general	177,192	-	177,192
Fundraising	120,930	-	120,930
Total supporting services	298,122	-	298,122
Total Expenses	1,527,157	-	1,527,157
Change in net assets	108,462	135,987	244,449
Net Assets - Beginning of Year	97,508	55,000	152,508
Net Assets - End of Year	**$ 205,970**	**$ 190,987**	**$ 396,957**

The notes to financial statements are an integral part of these financial statements.

REBUILDING TOGETHER - ST. LOUIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Support and other revenue:			
Grants	$ 441,000	$ 80,000	$ 521,000
Contributions			
Corporate	628,238	-	628,238
Corporate in-kind	207,975	-	207,975
Individuals	36,847	-	36,847
Individuals in-kind	385,025	-	385,025
Interest and other income (loss)	(2,075)	-	(2,075)
Total support and other revenue	1,697,010	80,000	1,777,010
Gross special events revenue	30,611	-	30,611
Less: cost of direct benefits to donors	3,211	-	3,211
Net special events revenue	27,400	-	27,400
Net assets released from restrictions	70,000	(70,000)	-
Total Revenue	1,794,410	10,000	1,804,410
Expenses			
Program services			
Rebuilding Day	740,934	-	740,934
Major repairs	436,832	-	436,832
Other program	284,686	-	284,686
Total program services	1,462,452	-	1,462,452
Supporting services			
Management and general	186,702	-	186,702
Fundraising	117,029	-	117,029
Total supporting services	303,731	-	303,731
Total Expenses	1,766,183	-	1,766,183
Change in net assets	28,227	10,000	38,227
Net Assets - Beginning of Year	69,281	45,000	114,281
Net Assets - End of Year	**$ 97,508**	**$ 55,000**	**$ 152,508**

The notes to financial statements are an integral part of these financial statements.

REBUILDING TOGETHER - ST. LOUIS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	Program Services				Supporting Services		
	Rebuilding Day	Major Repairs	Other Programs	Total Program Expenses	Management and General	Fundraising	Total Expenses
Salaries	$ -	$ -	$ 150,957	$ 150,957	$ 148,215	$ 77,562	$ 376,734
Payroll taxes and employee benefits	-	-	35,651	35,651	19,788	19,929	75,368
Contracted services	-	660,958	-	660,958	-	-	660,958
Contributed materials	46,844	-	-	46,844	-	-	46,844
Contributed services	67,820	-	84,180	152,000	-	-	152,000
Depreciation	-	-	6,449	6,449	-	-	6,449
Liability insurance	5,595	-	15,842	21,437	1,190	39	22,666
Logistics	20,396	-	-	20,396	-	-	20,396
Materials	61,333	-	924	62,257	-	-	62,257
National dues	-	-	15,212	15,212	-	-	15,212
Office expense	-	-	7,835	7,835	3,751	1,499	13,085
Other	-	-	1,402	1,402	135	135	1,672
Postage and delivery	-	-	4,260	4,260	-	-	4,260
Printing and reproduction	-	-	2,587	2,587	-	-	2,587
Professional fees	-	-	23,022	23,022	-	17,653	40,675
Rent	-	-	10,074	10,074	4,113	4,113	18,300
Telephone	-	-	4,337	4,337	-	-	4,337
Travel and conferences	-	-	2,304	2,304	-	-	2,304
Volunteer recognition	-	-	1,053	1,053	-	-	1,053
Total Expenses	**$ 201,988**	**$ 660,958**	**$ 366,089**	**$ 1,229,035**	**$ 177,192**	**$ 120,930**	**$ 1,527,157**

REBUILDING TOGETHER - ST. LOUIS

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2019

	Program Services				Supporting Services		
	Rebuilding Day	Major Repairs	Other Programs	Total Program Expenses	Management and General	Fundraising	Total Expenses
Salaries	$ -	$ -	$ 141,671	$ 141,671	$ 142,970	$ 73,364	$ 358,005
Payroll taxes and employee benefits	-	-	32,012	32,012	33,910	18,164	84,086
Contracted services	13,510	436,832	-	450,342	-	-	450,342
Contributed home inspections	3,750	-	-	3,750	-	-	3,750
Contributed materials	19,500	-	-	19,500	-	-	19,500
Contributed services	548,100	-	21,650	569,750	-	-	569,750
Depreciation	-	-	4,750	4,750	-	-	4,750
Liability insurance	-	-	7,714	7,714	2,642	729	11,085
Logistics	33,498	-	-	33,498	-	-	33,498
Materials	122,576	-	434	123,010	-	-	123,010
National dues	-	-	12,500	12,500	-	-	12,500
Office expense	-	-	10,085	10,085	2,962	1,058	14,105
Other	-	-	1,101	1,101	105	105	1,311
Postage and delivery	-	-	3,642	3,642	-	-	3,642
Printing and reproduction	-	-	650	650	-	-	650
Professional fees	-	-	22,950	22,950	-	19,496	42,446
Rent	-	-	10,074	10,074	4,113	4,113	18,300
Telephone	-	-	4,147	4,147	-	-	4,147
Travel and conferences	-	-	4,805	4,805	-	-	4,805
Volunteer recognition	-	-	6,501	6,501	-	-	6,501
Total Expenses	**$ 740,934**	**$ 436,832**	**$ 284,686**	**$ 1,462,452**	**$ 186,702**	**$ 117,029**	**$ 1,766,183**

REBUILDING TOGETHER - ST. LOUIS

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Cash Flows From Operating Activities		
Change in net assets	$ 244,449	$ 38,227
Adjustments to reconcile change in net assets to net cash used in operating activities		
Loss of disposal of assets	-	2,270
Depreciation	6,449	4,750
Donated property and equipment	-	(7,969)
Change in assets - (increase) decrease		
Grants receivable	40,791	(114,778)
Other current assets	(29,646)	(5,104)
Change in liabilities - increase (decrease)		
Accrued expenses	7,725	20,961
Refundable advance on contingent grants	92,924	-
Total adjustments	118,243	(99,870)
Net cash provided by (used in) operating activities	362,692	(61,643)
Cash Flows From Investing Activities		
Purchase of property and equipment	(27,584)	-
Net cash used in investing activities	(27,584)	-
Net increase (decrease) in cash and cash equivalents	335,108	(61,643)
Cash and cash equivalents - beginning of year	37,945	99,588
Cash and cash equivalents - end of year	**$ 373,053**	**$ 37,945**

Non Cash Activities

During the year ended June 30, 2020, the Organization financed a portion of the acquisition of a vehicle with debt in the amount of $16,419.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Rebuilding Together - St. Louis (the Organization) is a not-for-profit organization whose mission and principal activities are revitalizing neighborhoods in partnership with the community by rehabilitating the houses of low-income homeowners, particularly the elderly and the disabled, so that they may continue to live independently in comfort and safety. The Organization also renews neighborhoods by rebuilding community centers, playgrounds and other community projects. The Organization's revenues and other support are derived principally from contributions and grants, and its activities are conducted principally in the St. Louis metropolitan area.

Basis of Accounting

Rebuilding Together - St. Louis prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Financial Reporting and Presentation

Rebuilding Together - St. Louis follows the requirements of Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) Topic 958, Not-for-Profit Entities*. This standard requires the Organization to report information regarding contributions and support received in its statements of financial position and statements of activities according to the following two classes of net assets, based on the existence or absence of donor-imposed restrictions:

Net assets without donor restrictions – Net assets available for use in general operations and are not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

The Organization considers all short-term investments with an original maturity of three months or less at the time of purchase or renewal to be cash and cash equivalents. The Organization deems all certificates of deposit with a maturity of 12-months or less to be cash and cash equivalents.

Concentrations of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and cash equivalents and grants receivable. The Organization maintains its cash primarily with two financial institutions. Deposits and Certificates of Deposit at these banks are insured by the Federal Deposit Insurance Corporation up to $250,000. The Organization performs ongoing credit evaluations and maintains allowances, as needed, for potential credit losses. Management does not believe significant credit risk exists at June 30, 2020.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with U.S GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in Rebuilding Together - St. Louis net assets during the reporting period. Actual results could differ from those estimates.

Grants Receivable

Grants receivable include amounts due from various funding sources under binding contracts with the Organization for services rendered prior to year-end.

The Organization provides an allowance for doubtful accounts equal to the estimated losses that will be incurred in the collection of grants receivable, if any. When necessary, this estimate is based on historical experience coupled with a review of the current status of existing receivables. The allowance and associated grants receivable are reduced when the receivables are determined to be uncollectible. Currently, the Organization considers grants receivable to be fully collectible.

Property and Equipment

Property and equipment acquisitions with a life of three years or greater and a cost in excess of $1,000 are capitalized and recorded at cost, while maintenance and repairs are expensed as incurred. Donated assets are recorded at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose or period of time. When assets are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts.

Any gain or loss arising from such disposition is included as income (loss) in the year of disposition. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

The estimated lives for computing depreciation on property and equipment are:

Classification	Years
Furniture and Fixtures	5
Computer equipment	3-5
Vehicles	3-5

Impairment of Long-Lived Assets

The Organization evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended June 30, 2020 and 2019.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Other Revenue

Contributions and grants are recorded as received, and unconditional promises to give are recorded as the promise is made. All contributions and grants are available for general activities unless specifically restricted by the donor. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Advances received on conditional grants are recorded initially as refundable advances on conditional grants and then recorded in revenue when the conditions have been substantially met. Contributions with donor restrictions in which the restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying financial statements.

Donated Services and Materials

Donated noncash assets are recorded as contributions at their fair values at the date of donation.

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Certain volunteers provided various services throughout the years that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law. Accordingly, no provision or liability for income taxes has been included in the financial statements. The Organizations returns for tax years 2016 and later remain subject to examination by taxing authorities. Management does not believe there are any uncertain tax positions as of June 30, 2020 and 2019.

Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among program services and management services benefited. Such allocations are determined by management on an equitable basis which has been refined beginning prospectively with fiscal year end 2019. The financial statements report certain categories of expenses that are attributed to more than one program or management function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

The expenses that are allocated include

- Labor expenses which are allocated on the basis of time and effort.
- Equipment and occupancy which are allocated on a usage and square footage basis.
- Administrative and other expenses which are allocated on estimates of time and costs of specific technology utilized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of Accounting Pronouncement

On June 21, 2018, the FASB issued ASU 2018-08*, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard is intended to address questions stemming from FASB ASU No. 2014-09, Revenue from Contracts with Customers, regarding its implications on the grants and contracts of not-for-profit organizations. The Organization should apply the amendments in this ASU on contributions received to annual periods beginning after June 15, 2019, including interim periods within those annual periods. For nonreciprocal transactions (contributions), the next point to consider for both parties is whether conditions have been placed on the resources provided. The presence of conditions affects the timing of revenue and expense recognition by the resource recipient and resource provider, respectively. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606). Topic 606 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Topic 606 supersedes most current revenue recognition guidance, including industry-specific guidance, and outlines a five-step process for revenue recognition that focuses on transfer of control, as opposed to transfer of risk and reward. Major provisions include determining which goods and services are distinct and represent separate performance obligations, how variable consideration (which may include change orders and claims) is recognized, whether revenue should be recognized at a point in time or over time, and ensuring the time value of money is considered in the transaction price. In June 2020, the FASB issued ASU No. 2020-05, Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842) Effective Dates for Certain Entities. Prior to ASU No. 2020-05, Topic 606 was effective for fiscal years beginning after December 15, 2018, for entities other than public business entities. ASU No. 2020-05 defers the effective date of Topic 606 for entities that have not previously published financial statements to periods beginning after December 15, 2019. Management has adopted the provisions of ASU No. 2020-05 and will defer implementation of Topic 606. Management is currently evaluating the impact of adopting ASU 2014-09 on the Organization's financial statements and related disclosures.

In February 2016, the FASB issued ASU 2016-02, Leases: Amendments to the FASB Accounting Standards Codification (Topic 842), which amends the existing guidance on accounting for leases. This ASU requires the recognition of lease assets and liabilities on the statement of financial position and the disclosure of key information about leasing arrangements. Early adoption is permitted and modified retrospective application is required for leases that exist or are entered into after the beginning of the earliest comparative period in the financial statements. In June 2020, the FASB issued ASU No. 2020-05, Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842) Effective Dates for Certain Entities. Prior to ASU No. 2020-05, the amendments to Topic 842 would be effective for periods beginning after December 15, 2020, for entities other than public business entities. ASU No. 2020-05 defers the effective date of the amendments to Topic 842 to periods beginning after December 15, 2021. Management has adopted the provisions of ASU No. 2020-05 and will defer implementation of the amendments to Topic 842. Management is currently evaluating the impact of adopting ASU 2016-02 on the Organization's financial statements and related disclosures.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements (Continued)

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses. The standard requires a financial asset (including trade receivables) measured at amortized cost basis to be presented at the net amount expected to be collected. Thus, the statement of activities will reflect the measurement of credit losses for newly recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period. This standard will be effective for fiscal years beginning after December 15, 2022. Management is currently evaluating the impact of adopting ASU 2016-13 on the Organization’s financial statements and related disclosures.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of June 30, 2020:

Financial Assets:	
Cash and cash equivalents	$ 373,053
Grants receivable	115,987
Other current assets	26,132
Total Financial Assets	515,172
Less: Financial Assets Not Available to be Used Within One Year:	
Donor restrictions	190,987
Financial Assets Available to Meet General Expenditures Within One Year	**$ 324,185**

The Organization’s primary sources of support are contributions and grants. Some support is required to be used in accordance with the purpose restrictions imposed by the donors. As part of our liquidity management plan, the Organization invests cash in excess of daily requirements in money market funds and certificates of deposits.

NOTE 3 CONCENTRATIONS

Revenue from one grantor was approximately 28% and 20% of the Organization's total support and revenue during the years ended June 30, 2020 and 2019, respectively. Grants receivable from two grantors were approximately 100% and 80% of the Organization's grants receivable balance at June 30, 2020 and 2019, respectively.

NOTE 4 OPERATING LEASES

The Organization leases office space on a month-to-month basis. Rent expense related to this lease was $18,300 for each of the years ended June 30, 2020 and 2019.

NOTE 5 401(K) EMPLOYEE BENEFIT PLAN

The Organization maintains a contributory retirement savings plan under Sections 408(a) and 408(p) SIMPLE-IRA of the Code covering substantially all employees who meet certain eligibility requirements. Employer contributions to the plan totaled $7,749 and $6,942 for the years ended June 30, 2020 and 2019, respectively.

NOTE 6 GRANTS RECEIVABLE

Grants receivable at June 30, are as follows:

	2020	2019
Owner occupied projects	$ 115,987	$ 84,000
Rebuilding Day	-	15,000
Major repairs and roof replacement program	-	57,778
Total Grants Receivable	**$ 115,987**	**$ 156,778**

NOTE 7 PROPERTY AND EQUIPMENT

Property and equipment at June 30, are as follows:

	2020	2019
Furniture and fixtures	$ 5,061	$ 5,061
Computer equipment	60,943	58,816
Vehicles	55,750	13,874
	121,754	77,751
Less: accumulated depreciation	75,217	68,768
	$ 46,537	**$ 8,983**

Depreciation expense for the years ended June 30, 2020 and 2019, totaled $6,449 and $4,750, respectively.

NOTE 8 COMMITMENTS AND CONTINGENCIES

COVID-19 (Coronavirus)

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. The extent and impact of COVID-19 on the Organization’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Organization’s program participants, employees, and vendors, all of which are uncertain and cannot be predicted.

NOTE 9 ADDITIONAL FUNDING

Associated with the COVID-19 pandemic, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted to provide economic assistance to American businesses. Through the CARES Act, in April 2020, the Organization obtained funding from the Small Business Administration's Paycheck Protection Program (PPP) of $80,500 with an annual interest rate of 1% if it isn't forgiven. The PPP has provisions that allow for full or partial loan forgiveness if the loan proceeds are used on approved expenses in accordance with the PPP regulations and other PPP regulations, including employee counts, are followed. Per FASB ASC 958-605, the PPP funds were treated as a conditional contribution because the Organization expects the PPP loan to be forgiven.

As of June 30, 2020, the Organization has met the conditions on the PPP conditional grant on a portion of the funds received and has recorded those funds as grant income without donor restrictions. Funds recorded as grant income for the year ended June 30, 2020 totaled $23,215. The remaining funds are subject to the remaining forgiveness requirements for the duration of the coverage period. Accordingly, $57,285 has been recorded in the Statement of Financial Position as a refundable advance on a conditional grants as the funds are contingent on meeting the remaining forgiveness requirements.

NOTE 10 RELATED PARTY TRANSACTIONS

The Organization is a member in the national network of Rebuilding Together National Affiliate (National Affiliate) through an affiliate contract that is in place. The affiliate contract establishes the Organization's exclusive service area and sets forth a variety of compliance requirements. Dues are remitted to the National Affiliate by the Organization based on a formula defined in the affiliate contract. Dues paid to the National Affiliate totaled $7,800 and $12,500 for the years ended June 30, 2020 and 2019, respectively. In addition, the Organization received $49,000 and $101,000 in contributions from National Affiliate for the years ended June 30, 2020 and 2019, respectively.

NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, are restricted as follows:

	2020	2019
Purpose restrictions	$ 109,077	$ 45,000
Time restrictions	81,910	10,000
	$ 190,987	**$ 55,000**

Assets released from restrictions for the years ended June 30, are as follows:

	2020	2019
Released from restrictions of purpose and time	**$ 261,154**	**$ 70,000**

NOTE 12 DONATED SERVICES AND MATERIALS

A substantial number of unpaid volunteers possessing specialized skills donate essential services to the Organization. Additionally, many third parties donate materials and equipment. Substantially all donated services and materials are used in the Organization's programs. For the year ended June 30, 2020 the estimated fair value of these services and materials was approximately $152,000 and $46,844, respectively. For the year ended June 30, 2019, the estimated fair value of these services and materials was approximately $573,500 and $19,500, respectively. The donated services and materials are recognized as contributions and expenses in the statements of activities due to meeting the recognition criteria.

In addition, certain other unpaid volunteers donated approximately 938 and 5,670 labor hours during the years ended June 30, 2020 and 2019, respectively. According to the National Office for Rebuilding Together, the estimated value of this volunteer labor is approximately $21,152 and $127,850 for the years ended June 30, 2020 and 2019, respectively. This contributed labor is not reflected in the financial statements because the criteria for recognition have not been met.

NOTE 13 LONG-TERM DEBT

Long-term debt as of June 30, consists of the following:

	2020	2019
Ford note payable in monthly installments of $551, 5.24% interest with final payment due March 6, 2023, secured by the vehicle.	$ 16,419	$ -
Less: current maturities	(5,891)	(-)
Total Long-Term debt, less current maturities	**$ 10,528**	**$ -**

Principal maturities required on long-term debt are as follows:

For the Years Ending June 30,	
2021	$ 5,891
2022	6,207
2023	4,321
	$ 16,419

NOTE 14 SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the accompanying independent auditors' report, the date which the financial statements were available to be issued.

Forgiveness of Additional Funding

An application for forgiveness of the PPP funds described in Note 9 was submitted on December 3, 2020. As of December 17, 2020, the Small Business Administration has approved the PPP loan to be fully forgiven.

December 22, 2020

Ms. Leslie Zotz
Rebuilding Together - St. Louis
357 Marshall Avenue
Saint Louis, MO 63119

Dear Leslie:

Enclosed is one copy of *Rebuilding Together - St. Louis's* financial statements for the years ending June 30, 2020 and 2019. We've also e-mailed you a PDF of the financial statements.

We thank you for the opportunity to provide this service to you. If you have any questions or we can provide additional services, please do not hesitate to contact me.

Sincerely,

Mueller Prost LC

Mueller Prost LC

Karyn Nunn

Enclosures
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