

NATIONAL CENTER FOR HEALTHY HOUSING, INC.

REPORT ON SINGLE AUDIT

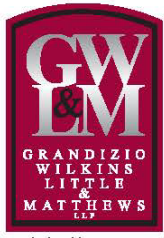
SEPTEMBER 30, 2024

NATIONAL CENTER FOR HEALTHY HOUSING, INC.

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Certified Public Accountants

Grandizio, Wilkins, Little & Matthews, LLP

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

To the Board of Directors
National Center for Healthy Housing, Inc. and Subsidiary

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 consolidated financial statements of National Center for Healthy Housing, Inc. and Subsidiary (the Organization), which comprise the consolidated statement of financial position as of September 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated February 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated 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 consolidated 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Grandizio, Wilkins, Little & Matthews, LLP

Grandizio, Wilkins, Little & Matthews, LLP
February 17, 2025



Grandizio, Wilkins, Little & Matthews, LLP

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

To the Board of Directors
National Center for Healthy Housing, Inc.

Report on Compliance for Major Federal Program

Opinion on Major Federal Program

We have audited the National Center for Healthy Housing, Inc.'s (the Center) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Center's major federal program for the year ended September 30, 2024. The Center's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Center complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2024.

Basis for Opinion on Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Center's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Center's federal program.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Center's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Center's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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.

National Center for Healthy Housing, Inc.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of National Center for Healthy Housing, Inc. and Subsidiary as of and for the year ended September 30, 2024, and have issued our report thereon dated February 17, 2025, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Grandizio, Wilkins, Little & Matthews LLP

Grandizio, Wilkins, Little & Matthews, LLP
February 17, 2025

NATIONAL CENTER FOR HEALTHY HOUSING, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass- Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development				
Direct:		MDHHU0051-19/ MDHHU0063-21/ MDHHU0070-22		
Lead Hazard Reduction Grant Program	14.900		\$ 61,560	\$ 435,063
Pass-Through Programs from:				
University of Illinois				
Lead Hazard Reduction Grant Program	14.900	ILHHU0052-19	-	1,467
Silent Spring Institute				
Lead Hazard Reduction Grant Program	14.900	MAHHU0060-20	-	27,247
Total Lead Hazard Reduction Grant Program			61,560	463,777
Direct:				
Lead Technical Studies Grants	14.902	MDLTS0021-12	-	146,296
Total U.S. Department of Housing and Urban Development			61,560	610,073
U.S. Environmental Protection Agency				
Direct:				
Surveys, Studies, Research, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act	66.034	XA84022801	-	163,228
Pass-Through Programs from:				
Public Health Institute				
Surveys, Studies, Research, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act	66.034	84021601	-	85,741
Total U.S. Environmental Protection Agency			-	248,969
U.S. Department of Health and Human Services				
Pass-Through Programs from:				
Public Health Institute				
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	6NU38OT000313 05 02	-	181,700
Association of State and Territorial Health Officials				
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	6NU38OT000290-05-01	-	392,821
National Environmental Health Association				
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	6NU38OT000300-05-04	-	40,000
Total Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health			-	614,521
Metro United Way				
Childhood lead Poisoning Prevention Projects, State and Local	93.197	NUE2EH001479	-	22,000
Health Research Inc.				
Childhood lead Poisoning Prevention Projects, State and Local	93.197	NUE2EH001430	-	164,998
Total Childhood lead Poisoning Prevention Projects, State and Local			-	186,998
University of Rochester				
Environmental Health	93.113	R01ES036237	-	1,469
Total U.S. Department of Health and Human Services			-	802,988
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 61,560	\$ 1,662,030

See accompanying notes to the schedule
of expenditures of federal awards.

NATIONAL CENTER FOR HEALTHY HOUSING, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

September 30, 2024

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of National Center for Healthy Housing, Inc. under the programs of the federal government for the year ended September 30, 2024. 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). Because the Schedule presents only a selected portion of the operations of National Center for Healthy Housing, Inc., it is not intended to, and does not, present the consolidated financial position, consolidated changes in net assets, or consolidated cash flows of National Center for Healthy Housing, Inc. and Subsidiary.

Note 2: Summary of Significant Accounting Policies

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

Note 3: Indirect Cost Rate

National Center for Healthy Housing, Inc. has elected not to use the ten percent (10%) de minimis indirect cost rate allowed under the Uniform Guidance.

NATIONAL CENTER FOR HEALTHY HOUSING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2024

A. Summary of Auditors' Results

Consolidated Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:

Material weaknesses identified? No
Significant deficiencies identified? None Reported
3. Noncompliance material to financial statements noted? No

Federal Awards

4. Internal control over major program:

Material weaknesses identified? No
Significant deficiencies identified? None Reported
5. Type of auditors' report issued on compliance for major program: Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? No
7. Major Federal Program:

<u>U.S. Department of Health and Human Services:</u>	Federal Assistance Listing Number
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421
8. Dollar threshold used to distinguish between Type A and Type B Programs: \$750,000
9. Auditee qualified as low-risk auditee? Yes

B. Findings – Consolidated Financial Statement Audit

NONE

C. Findings and Questioned Costs - Major Federal Award Program Audit

NONE

NATIONAL CENTER FOR HEALTHY HOUSING, INC.
CORRECTIVE ACTION PLAN

For the Year Ended September 30, 2024

N/A

NATIONAL CENTER FOR HEALTHY HOUSING, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended September 30, 2024

N/A

NATIONAL CENTER FOR HEALTHY HOUSING, INC.
AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2024 AND 2023

NATIONAL CENTER FOR HEALTHY HOUSING, INC.
AND SUBSIDIARY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
National Center for Healthy Housing, Inc. and Subsidiary

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of National Center for Healthy Housing, Inc. and Subsidiary (the Organization), which comprise the consolidated statement of financial position as of September 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of National Center for Healthy Housing, Inc. and Subsidiary as of September 30, 2024, and the change in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of National Center for Healthy Housing, Inc. and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The consolidated financial statements and consolidating supplementary information of National Center for Healthy Housing, Inc. and Subsidiary for the year ended September 30, 2023 were audited by another auditor who expressed an unmodified opinion on those statements and an unmodified, in relation to, opinion on the consolidating supplementary information on February 19, 2024.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about National Center for Healthy Housing, Inc. and Subsidiary's ability to continue as a going concern for one (1) year after the date that the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 National Center for Healthy Housing, Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about National Center for Healthy Housing, Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information - 2024

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, net assets, and cash flows of the individual entities and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 February 17, 2025, on our consideration of National Center for Healthy Housing, Inc. and Subsidiary'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 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 National Center for Healthy Housing, Inc. and Subsidiary's internal control over financial reporting and compliance.

Grandizio, Wilkins, Little & Matthews, LLP

Grandizio, Wilkins, Little & Matthews, LLP
February 17, 2025

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

September 30,	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,278,203	\$ 1,119,848
Grants and Other Receivables	536,322	503,486
Pledges Receivable	5,000	20,000
Income Taxes Receivable	4,181	26,795
Prepaid Expenses and Other Assets	41,933	32,353
	<u>1,865,639</u>	<u>1,702,482</u>
TOTAL CURRENT ASSETS		
PROPERTY AND EQUIPMENT		
Office Equipment	64,236	57,260
Less: Accumulated Depreciation	50,869	43,692
	<u>13,367</u>	<u>13,568</u>
NET PROPERTY AND EQUIPMENT		
	<u>13,367</u>	<u>13,568</u>
TOTAL ASSETS		
	<u><u>\$ 1,879,006</u></u>	<u><u>\$ 1,716,050</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 12,703	\$ 35,508
Income Taxes Payable	15,478	15,834
Accrued Expenses	118,894	143,535
Deferred Revenue	97,845	78,345
	<u>244,920</u>	<u>273,222</u>
TOTAL CURRENT LIABILITIES		
NONCURRENT LIABILITIES		
Long-Term Debt, Net of Current Maturity	113,900	113,900
Deferred Tax Liability	825	765
	<u>114,725</u>	<u>114,665</u>
TOTAL NONCURRENT LIABILITIES		
	<u>114,725</u>	<u>114,665</u>
TOTAL LIABILITIES		
	<u>359,645</u>	<u>387,887</u>
NET ASSETS		
Without Donor Restrictions	1,299,776	678,443
With Donor Restrictions	219,585	649,720
	<u>1,519,361</u>	<u>1,328,163</u>
TOTAL NET ASSETS		
	<u>1,519,361</u>	<u>1,328,163</u>
TOTAL LIABILITIES AND NET ASSETS		
	<u><u>\$ 1,879,006</u></u>	<u><u>\$ 1,716,050</u></u>

The independent auditors' report and the accompanying notes are
an integral part of these consolidated financial statements.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ACTIVITIES

For the Years Ended September 30,	2024			2023			
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Increase (Decrease)
SUPPORT AND REVENUE							
Grants and Contracts	\$ 2,759,621	\$ -	\$ 2,759,621	\$ 2,742,358	\$ -	\$ 2,742,358	\$ 17,263
Contributions	1,032,708	190,000	1,222,708	41,813	205,000	246,813	975,895
Gifts-in-Kind	83,374	-	83,374	140,750	-	140,750	(57,376)
Interest Income	9,625	-	9,625	10,389	-	10,389	(764)
Other Revenue	2,532	-	2,532	3,250	-	3,250	(718)
Total	3,887,860	190,000	4,077,860	2,938,560	205,000	3,143,560	934,301
Net Assets Released from Restriction	620,135	(620,135)	-	745,105	(745,105)	-	-
TOTAL SUPPORT AND REVENUE	4,507,995	(430,135)	4,077,860	3,683,665	(540,105)	3,143,560	934,301
EXPENSES							
Program	3,595,298	-	3,595,298	3,169,174	-	3,169,174	426,124
General and Administrative	185,952	-	185,952	119,626	-	119,626	66,326
Fundraising	70,908	-	70,908	70,348	-	70,348	560
TOTAL EXPENSES	3,852,158	-	3,852,158	3,359,148	-	3,359,148	493,010
CHANGE IN NET ASSETS BEFORE OTHER INCOME (EXPENSE)	655,837	(430,135)	225,702	324,517	(540,105)	(215,588)	441,291
OTHER INCOME (EXPENSE)							
Employee Retention Credit (Adjustment)	-	-	-	(1,918)	-	(1,918)	1,918
Loss on Disposal of Property	-	-	-	(732)	-	(732)	732
TOTAL OTHER INCOME (EXPENSE)	-	-	-	(2,650)	-	(2,650)	2,650
CHANGE IN NET ASSETS AFTER OTHER INCOME (EXPENSE) AND BEFORE INCOME TAXES	655,837	(430,135)	225,702	321,867	(540,105)	(218,238)	443,941
Income Tax Expense	34,504	-	34,504	20,539	-	20,539	13,965
CHANGE IN NET ASSETS	621,333	(430,135)	191,198	301,328	(540,105)	(238,777)	\$ 429,976
Net Assets - Beginning of Year	678,443	649,720	1,328,163	377,115	1,189,825	1,566,940	
NET ASSETS - END OF YEAR	\$ 1,299,776	\$ 219,585	\$ 1,519,361	\$ 678,443	\$ 649,720	\$ 1,328,163	

The independent auditors' report and the accompanying notes are
an integral part of these consolidated financial statements.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended September 30,	2024				2023				
	Program Services	General and Administrative	Fundraising	Total	Program Services	General and Administrative	Fundraising	Total	Increase (Decrease)
Salaries and Fringe Benefits	\$ 1,548,119	\$ 279,177	\$ 28,123	\$ 1,855,419	\$ 1,550,396	\$ 215,161	\$ 45,927	\$ 1,811,484	\$ 43,935
Consultants	850,587	92,171	23,126	965,884	908,464	46,778	5,368	960,610	5,274
Professional Fees	-	196,866	6,449	203,315	-	185,542	-	185,542	17,773
Other Costs and Supplies	46,464	-	-	46,464	116,746	-	-	116,746	(70,282)
Grants	542,500	-	-	542,500	73,980	-	-	73,980	468,520
Travel	71,969	1,312	-	73,281	50,476	603	-	51,079	22,202
Software	3,387	24,582	-	27,969	8,030	18,986	-	27,016	953
Insurance	-	21,615	-	21,615	-	20,918	-	20,918	697
Storage	-	20,226	-	20,226	-	16,415	-	16,415	3,811
Temporary Help	11,986	6,615	-	18,601	13,920	-	-	13,920	4,681
Dues and Subscriptions	-	7,843	1,389	9,232	275	9,322	1,298	10,895	(1,663)
Telecommunications	-	9,771	-	9,771	-	10,055	-	10,055	(284)
Payroll Processing	-	10,383	-	10,383	-	9,868	-	9,868	515
Depreciation	-	7,177	-	7,177	-	9,673	-	9,673	(2,496)
Trustee Expenses	-	5,654	298	5,952	-	9,479	-	9,479	(3,527)
Rent	-	9,054	-	9,054	-	8,775	-	8,775	279
Meetings and Conferences	10,927	1,388	-	12,315	6,616	403	-	7,019	5,296
Equipment Rental and Maintenance	-	14	-	14	-	3,304	-	3,304	(3,290)
Interest Expense	-	3,132	-	3,132	-	3,132	-	3,132	-
Training and Professional Development	-	4,574	-	4,574	-	2,767	-	2,767	1,807
Office Supplies	-	1,084	-	1,084	190	1,709	-	1,899	(815)
Bank Service Fees	-	1,628	-	1,628	-	1,848	-	1,848	(220)
Bad Debt	-	-	-	-	-	1,260	-	1,260	(1,260)
Miscellaneous	-	1,513	-	1,513	-	664	-	664	849
Postage and Delivery	803	211	-	1,014	187	454	-	641	373
Printing and Reproduction	-	41	-	41	-	159	-	159	(118)
Indirect Cost Allocation	508,556	(520,079)	11,523	-	439,894	(457,649)	17,755	-	-
TOTAL	\$ 3,595,298	\$ 185,952	\$ 70,908	\$ 3,852,158	\$ 3,169,174	\$ 119,626	\$ 70,348	\$ 3,359,148	\$ 493,010

The independent auditors' report and the accompanying notes are
an integral part of these consolidated financial statements.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended September 30,	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 191,198	\$ (238,777)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By (Used In) Operating Activities:		
Bad Debts	-	1,260
Depreciation	7,177	9,673
Deferred Income Taxes	60	4,198
Loss on Disposal of Property	-	732
Changes in Operating Assets and Liabilities:		
Grants and Other Receivables	(32,836)	68,319
Pledges Receivable	15,000	450,000
Income Taxes Receivable	22,614	23,291
Employee Retention Credit Receivable	-	86,163
Prepaid Expenses and Other Assets	(9,580)	(4,165)
Accounts Payable, Income Taxes and Accrued Expenses	(47,802)	71,269
Deferred Revenue	19,500	8,721
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>165,331</u>	<u>480,684</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property	<u>(6,976)</u>	<u>(2,827)</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(6,976)</u>	<u>(2,827)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	158,355	477,857
Cash and Cash Equivalents - Beginning of Year	<u>1,119,848</u>	<u>641,991</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 1,278,203</u></u>	<u><u>\$ 1,119,848</u></u>
Supplemental Information:		
Interest Paid	<u>\$ 5,844</u>	<u>\$ 487</u>
Income Taxes Paid	<u><u>\$ 34,800</u></u>	<u><u>\$ -</u></u>

The independent auditors' report and the accompanying notes are
an integral part of these consolidated financial statements.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

Note 1: Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization

National Center for Healthy Housing, Inc. (the Center) was formed under the laws of Maryland in 1992 for charitable, educational, and scientific purposes to conduct research, demonstrations, training and capacity building, and public policy regarding healthy housing. The Center's wholly-owned subsidiary, Healthy Housing Solutions, Inc. (Solutions), was incorporated as a Maryland for-profit stock corporation in 2003. Solutions is engaged in activities similar to that of the Center and was organized to support the Center's mission through fee-for-service work. The Center and Solutions are collectively referred to as the Organization.

Use of Estimates

The preparation of consolidated 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, disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Center and Solutions. All material intercompany transactions and balances have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to two (2) classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three (3) months or less to be cash equivalents.

Grants and Other Receivables and Allowance for Credit Losses

Grants and other receivables are recorded net of an allowance for uncollectible receivables, based on management's evaluation of outstanding receivables at year end. The Organization has grants and cooperative agreements with U.S. Government agencies, various state agencies, and other private sources. Estimated losses are generally determined from historical collection experience and a review of outstanding receivables. Management believes historical loss information is a reasonable basis from which to calculate the expected allowance for credit losses for accounts receivable. The allowance for credit losses at September 30, 2024 and 2023 is \$-0-.

Receivables are written off by management when all appropriate collection efforts have been taken and it is determined that there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized as income in the year of recovery, in accordance with the Organization's accounting policy election.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

Pledges Receivable

Unconditional pledges are recorded as pledges receivable and recognized as revenue in the period received. Unconditional pledges to be received in a future period are discounted to their net present value at the time the revenue is recorded. A provision is made for uncollectible pledges based on anticipated collection losses. Estimated losses are generally determined from historical collection experience and a review of outstanding pledges receivable. Pledges receivable are written off by management when it is determined that there is no possibility of recovery. The Center has not recorded an allowance for uncollectible pledges since it is management's opinion that all outstanding pledges receivable are collectible.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of five (5) to seven (7) years for office equipment. Expenditures for maintenance and routine repairs are charged to expense as incurred. Expenditures for improvements and major repairs that materially extend the useful lives of assets are capitalized.

Concentration of Credit Risk

At various times during the year, National Center for Healthy Housing, Inc. and Subsidiary maintained cash balances in one (1) financial institution in excess of \$250,000, the limit of federal insurance. Management believes the Organization is not exposed to any significant credit risk with respect to these balances.

Net Assets

Net assets, revenue, support, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions: Net assets available for use in general operations and not subject to donor restrictions.

Net Assets with Donor Restrictions: Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met with 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.

Revenue Recognition

The Organization generates revenue primarily from federal grants, contributions, program fees and net investment return. Conditional grants are earned and recognized as revenue without donor restrictions in proportion to the related expenditures incurred or when all conditions of the grant have been substantially met. Grants earned but not yet received are recorded as grants receivable and grants received in advance are recorded as deferred revenue.

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. An unconditional pledge to give support is recognized as a receivable and contribution in the year the pledge is made. Conditional pledges to give, which depend on the occurrence of a specified future and uncertain event, are not recognized as revenue until the condition has been met.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Contributions which are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the same year in which the contributions are recognized. All other donor-imposed restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization generates contract revenue primarily from program fees. Revenue from program fees is recognized when control of the promised good or service is transferred to a customer, in an amount that reflects the consideration to which the Organization expects to be entitled from customers, in exchange for those goods and services.

Performance obligations are determined based on the nature of the services provided. Each of the Organization's revenue streams are treated as separate performance obligations, which are satisfied over a specified time period. The Organization determines the transaction price based on contractually agreed-upon amounts or rates.

The Organization's disaggregates its revenue from contracts as follows:

	<u>2024</u>	<u>2023</u>
Performance Obligations Satisfied Over Time:		
Contract Revenue	<u>\$ 1,097,591</u>	<u>\$ 1,316,733</u>

Gifts-in-Kind (Donated Commodities)

Donated commodities, which includes database access, are recorded at their estimated fair market value on the date of receipt. The Organization received donated commodities of \$-0- and \$128,750 for the years ended September 30, 2024 and 2023, respectively, which were used in its program services.

Gifts-in-Kind (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 individuals with those skills, and would otherwise be purchased by the Organization. Donated services are recorded based on comparable industry rates which management believes reflects the actual value of the services provided. The Organization received donated consulting services of \$83,374 and \$12,000 for the years ended September 30, 2024 and 2023, respectively, which were used in its program services.

Income Taxes

The Center is exempt from federal and state income taxes under Internal Revenue Code §501(c)(3). Income that is not related to exempt purposes, less applicable reductions, is subject to federal and state income taxes. The Center had no unrelated business income for the years ended September 30, 2024 and 2023. The Center's federal exempt organization tax returns are subject to examination by the Internal Revenue Service, generally for a period of three (3) years after the returns are filed.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

Solutions is taxed as a for-profit corporation under the Internal Revenue Code and applicable state statutes. Certain transactions of Solutions may be subject to accounting methods for income tax purposes that differ significantly from the accounting methods used in preparing the consolidated financial statements in accordance with generally accepted accounting principles. Accordingly, the taxable income of Solutions reported for income tax purposes may differ from net income reflected in these consolidated financial statements. Deferred income taxes are provided to reflect the tax effect of these temporary differences between financial and income tax reporting. The federal and state income tax returns of Solutions are subject to examination by the Internal Revenue Service and state tax authorities, generally for a period of three (3) years after the returns are filed.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities and by natural classification in the consolidated statements of functional expenses. Costs that cannot be specifically identified with a particular function and that benefit more than one (1) functional category are allocated on the basis of estimates of the portion of time expended by the staff on various functions, square footage, or other criteria.

Leases

The Organization elected not to apply the recognition requirements of ASC 842 to all short-term leases, defined as leases with a term of twelve (12) months or less at commencement.

Recently Adopted Accounting Guidance - Allowance for Credit Losses

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changes how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 are accounts receivable as disclosed in Note 3. The Organization adopted the standard effective October 1, 2023. The impact of the adoption was not considered material to the consolidated financial statements and resulted in enhanced disclosures only.

Date of Management Review

National Center for Healthy Housing, Inc. and Subsidiary has evaluated events and transactions that occurred during the period from the date of the consolidated financial statements through February 17, 2025, the date the Organization's consolidated financial statements were available to be issued. There were no events or transactions that occurred during the period that materially impacted the amounts or disclosures in the Organization's consolidated financial statements.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

Note 2: Liquidity and Availability of Financial Assets

A summary of financial assets available for general expenditure within one (1) year of the consolidated statements of financial position date are as follows:

	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 1,278,203	\$ 1,119,848
Grants and Other Receivables	536,322	503,486
Pledges Receivable	5,000	20,000
Income Taxes Receivable	<u>4,181</u>	<u>26,795</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One (1) Year	<u>\$ 1,823,706</u>	<u>\$ 1,670,129</u>

The Organization receives significant contributions and pledges restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity following two (2) guiding principles: 1.) operating within a prudent range of financial soundness, and 2.) stability and maintaining adequate liquid assets to fund near-term operating needs.

Note 3: Contracts

Contract assets were \$86,540 and \$104,319 and accounts receivable were \$87,022 and \$105,949 at September 30, 2024 and 2023, respectively. These amounts are included in the consolidated statements of financial position under grants and other receivables. Contract liabilities were \$97,845 and \$78,345 at September 30, 2024 and 2023, respectively, and are included in the consolidated statements of financial position under deferred revenue.

Note 4: Pledges Receivable

Pledges receivable consisted of the following at September 30:

	<u>2024</u>	<u>2023</u>
Pledges Receivable Due in Less than One Year	\$ 5,000	\$ 20,000
Less: Present Value Discount (3%)	<u>-</u>	<u>-</u>
Unconditional Pledges Receivable, Net	<u>\$ 5,000</u>	<u>\$ 20,000</u>

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

Note 5: Long-Term Debt

On March 2, 2021, the Organization entered into a promissory note with the U.S. Small Business Administration for an Economic Injury Disaster Loan (EIDL) in the amount of \$113,900, with maturity on March 2, 2051. The note bears interest at two and three-quarters percent (2.75%) and requires monthly principal and interest payments of \$487 beginning twelve (12) months from the date of the agreement. In March 2022, the U.S. Small Business Administration extended the deferred period for COVID EIDL payment until the 30th month after the date of the note. While deferred, the debt will continue to accrue interest. Interest expense accrued on this loan was \$4,833 and \$7,545 at September 30, 2024 and 2023, respectively.

The aggregate annual principal maturities of long-term debt for each of the years subsequent to September 30, 2024 are as follows:

For the Years Ending September 30,

2025	\$ -
2026	807
2027	2,772
2028	2,849
2029	2,928
Thereafter	<u>104,544</u>
 TOTAL	 <u><u>\$ 113,900</u></u>

Note 6: Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following purposes as of September 30:

	<u>2024</u>	<u>2023</u>
Subject to Expenditure for Specified Purpose:		
Equipping Communities	\$ 59,960	\$ 512,195
Advocacy and Awareness	18,770	137,525
Research	<u>140,855</u>	<u>-</u>
 TOTAL	 <u><u>\$ 219,585</u></u>	 <u><u>\$ 649,720</u></u>

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

Note 6: Net Assets with Donor Restrictions (Continued)

Net assets were released from donor restrictions for the years ended September 30, 2024 and 2023 by incurring expenses satisfying the restricted purposes, by occurrence of other events or by satisfaction of time restrictions. Below are the details of these net assets that were released from restriction.

	2024	2023
Subject to Expenditure for Specified Purpose:		
Equipping Communities	\$ 477,235	\$ 528,889
Advocacy and Awareness	123,754	216,215
Research	19,146	-
TOTAL	<u>\$ 620,135</u>	<u>\$ 745,104</u>

Note 7: Retirement Plan

The Organization has a 401(k) plan (the Plan) that permits voluntary contributions to this Plan by employees of the Center and Solutions. The Plan covers all employees who meet its eligibility requirements. The Plan provides for employer matching contributions of one hundred percent (100%) of elective deferrals up to three percent (3%) of eligible compensation and fifty percent (50%) of elective deferrals from three percent (3%) to five percent (5%) of eligible compensation. In addition, the Plan allows discretionary contributions on an annual basis in amounts determined by the Organization's management. For the years ended September 30, 2024 and 2023, the Organization made matching contributions of \$46,119 and \$47,717, respectively. There were no discretionary contributions made to the Plan during either fiscal year.

Note 8: Income Tax Provision

The income tax expense for the years ended September 30, 2024 and 2023 consist of the following components:

	2024	2023
Federal and State Income Taxes Currently Payable	\$ 34,444	\$ 16,341
Change in Deferred Income Taxes	60	4,198
TOTAL INCOME TAX EXPENSE	<u>\$ 34,504</u>	<u>\$ 20,539</u>

The income tax expense reflects effective tax rates which result from the applicability of federal and state statutory rates.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2024 and 2023

Note 8: Income Tax Provision (Continued)

Solutions computes deferred income taxes using the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Solutions provides for the recognition and measurement of deferred income tax benefits based on the likelihood of their realization in future years. A valuation allowance has been established to reduce deferred income tax benefits that are more likely than not that the benefits will not be realized.

The tax effects of the temporary differences between financial and income tax accounting that give rise to Solutions' deferred tax assets and deferred tax liabilities as of September 30, 2024 and 2023 relate to differences in depreciation and operating loss carryforwards that are available to offset future taxable income.

Note 9: Concentration of Grant and Contract Revenue

The Organization receives a substantial portion of its revenue from federal grants and contracts, primarily from the U.S. Department of Health and Human Services and the U.S. Department of Housing and Urban Development. If a significant reduction of funding occurs, it may have a significant impact on the Organization's programs. For the years ended September 30, 2024 and 2023, direct and indirect federal grants and contracts represented sixty-one percent (61%) and seventy-four percent (74%), respectively, of the Organization's total revenue and support. Management does not anticipate any significant reduction in future funding from federal agencies.

Note 10: Compliance with Grantor or Donor Restrictions

Financial assistance from federal, state, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

Note 11: Federal Awards

A significant amount of the Organization's revenue and support is derived from Federal awards. The following summarizes revenues provided by Federal awards, by Federal agency, for the years ended September 30, 2024, and 2023:

	<u>2024</u>	<u>2023</u>
U.S. Department of Housing and Urban Development	\$ 610,073	\$ 890,377
U.S. Environmental Protection Agency	248,969	330,921
U.S. Department of Health and Human Services	<u>802,988</u>	<u>204,327</u>
	<u>\$ 1,662,030</u>	<u>\$ 1,425,625</u>

These amounts are included within Grants and Contracts in the Consolidated Statements of Activities.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION

For the Years Ended September 30,	2024				2023			
	National Center for Healthy Housing, Inc.	Healthy Housing Solutions, Inc.	Eliminations	Total	National Center for Healthy Housing, Inc.	Healthy Housing Solutions, Inc.	Eliminations	Total
ASSETS								
CURRENT ASSETS								
Cash and Cash Equivalents	\$ 892,894	\$ 385,309	\$ -	\$ 1,278,203	\$ 919,560	\$ 200,288	\$ -	\$ 1,119,848
Grants and Other Receivables	504,943	57,936	(26,557)	536,322	427,763	85,791	(10,068)	503,486
Pledges Receivable	5,000	-	-	5,000	20,000	-	-	20,000
Income Taxes Receivable	-	4,181	-	4,181	-	26,795	-	26,795
Prepaid Expenses and Other Assets	36,329	5,604	-	41,933	28,706	3,647	-	32,353
TOTAL CURRENT ASSETS	1,439,166	453,030	(26,557)	1,865,639	1,396,029	316,521	(10,068)	1,702,482
PROPERTY AND EQUIPMENT								
Office Equipment	49,171	15,065	-	64,236	42,196	15,064	-	57,260
Less: Accumulated Depreciation	39,610	11,259	-	50,869	33,887	9,805	-	43,692
NET PROPERTY AND EQUIPMENT	9,561	3,806	-	13,367	8,309	5,259	-	13,568
OTHER ASSETS								
Investment in Subsidiary	329,820	-	(329,820)	-	239,515	-	(239,515)	-
TOTAL ASSETS	\$ 1,778,547	\$ 456,836	\$ (356,377)	\$ 1,879,006	\$ 1,643,853	\$ 321,780	\$ (249,583)	\$ 1,716,050
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Accounts Payable	\$ 12,702	\$ 26,558	\$ (26,557)	\$ 12,703	\$ 31,981	\$ 13,595	\$ (10,068)	\$ 35,508
Income Taxes Payable	-	15,478	-	15,478	-	15,834	-	15,834
Accrued Expenses	107,709	11,185	-	118,894	123,811	19,724	-	143,535
Deferred Revenue	24,875	72,970	-	97,845	45,998	32,347	-	78,345
TOTAL CURRENT LIABILITIES	145,286	126,191	(26,557)	244,920	201,790	81,500	(10,068)	273,222
NONCURRENT LIABILITIES								
Long-Term Debt, Net of Current Maturity	113,900	-	-	113,900	113,900	-	-	113,900
Deferred Tax Liability	-	825	-	825	-	765	-	765
TOTAL NONCURRENT LIABILITIES	113,900	825	-	114,725	113,900	765	-	114,665
TOTAL LIABILITIES	259,186	127,016	(26,557)	359,645	315,690	82,265	(10,068)	387,887
NET ASSETS AND EQUITY								
Without Donor Restrictions	1,299,776	-	-	1,299,776	678,443	-	-	678,443
With Donor Restrictions	219,585	-	-	219,585	649,720	-	-	649,720
Retained Earnings	-	329,720	(329,720)	-	-	239,416	(239,416)	-
Common Stock	-	100	(100)	-	-	100	(100)	-
TOTAL NET ASSETS AND EQUITY	1,519,361	329,820	(329,820)	1,519,361	1,328,163	239,516	(239,516)	1,328,163
TOTAL LIABILITIES AND NET ASSETS	\$ 1,778,547	\$ 456,836	\$ (356,377)	\$ 1,879,006	\$ 1,643,853	\$ 321,781	\$ (249,584)	\$ 1,716,050

The independent auditors' report and the accompanying notes are
an integral part of these consolidated financial statements.

NATIONAL CENTER FOR HEALTHY HOUSING, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF ACTIVITIES

For the Years Ended September 30,	2024				2023			
	National Center for Healthy Housing, Inc.	Healthy Housing Solutions, Inc.	Eliminations	Total	National Center for Healthy Housing, Inc.	Healthy Housing Solutions, Inc.	Eliminations	Total
SUPPORT AND REVENUE								
Grants and Contracts	\$ 2,268,411	\$ 688,965	\$ (197,755)	\$ 2,759,621	\$ 2,098,497	\$ 793,576	\$ (149,715)	\$ 2,742,358
Contributions	1,222,708	-	-	1,222,708	246,813	-	-	246,813
Gifts-in-Kind	83,374	-	-	83,374	140,750	-	-	140,750
Interest Income	843	8,782	-	9,625	8,835	1,788	(234)	10,389
Other Revenue	2,532	-	-	2,532	3,750	-	(500)	3,250
TOTAL SUPPORT AND REVENUE	3,577,868	697,747	(197,755)	4,077,860	2,498,645	795,364	(150,449)	3,143,560
EXPENSES								
Salaries and Fringe Benefits	1,600,649	254,770	-	1,855,419	1,469,756	341,728	-	1,811,484
Consultants	951,519	212,120	(197,755)	965,884	835,355	275,471	(150,215)	960,611
Rent	6,790	2,264	-	9,054	7,464	1,311	-	8,775
Professional Fees	148,555	54,760	-	203,315	140,205	45,337	-	185,542
Interest Expense	3,132	-	-	3,132	3,132	234	(234)	3,132
Other	766,330	49,024	-	815,354	333,420	56,184	-	389,604
TOTAL EXPENSES	3,476,975	572,938	(197,755)	3,852,158	2,789,332	720,265	(150,449)	3,359,148
CHANGE IN NET ASSETS BEFORE OTHER INCOME (EXPENSE)	100,893	124,809	-	225,702	(290,687)	75,099	-	(215,588)
OTHER INCOME (EXPENSE)								
Employee Retention Credit (Adjustment)	-	-	-	-	(1,918)	-	-	(1,918)
Loss on Disposal of Property	-	-	-	-	-	(732)	-	(732)
TOTAL OTHER INCOME (EXPENSE)	-	-	-	-	(1,918)	(732)	-	(2,650)
CHANGE IN NET ASSETS AFTER OTHER INCOME (EXPENSE) AND BEFORE INCOME TAXES AND EARNINGS FROM WHOLLY OWNED SUBSIDIARY	100,893	124,809	-	225,702	(292,605)	74,367	-	(218,238)
Income Tax Expense	-	34,504	-	34,504	-	20,539	-	20,539
CHANGE IN NET ASSETS BEFORE EARNINGS FROM SUBSIDIARY	100,893	90,305	-	191,198	(292,605)	53,828	-	(238,777)
Earnings from Subsidiary	90,305	-	(90,305)	-	53,828	-	(53,828)	-
CHANGE IN NET ASSETS	191,198	90,305	(90,305)	191,198	(238,777)	53,828	(53,828)	(238,777)
Net Assets - Beginning of Year	1,328,163	239,515	(239,515)	1,328,163	1,566,940	185,687	(185,687)	1,566,940
NET ASSETS - END OF YEAR	\$ 1,519,361	\$ 329,820	\$ (329,820)	\$ 1,519,361	\$ 1,328,163	\$ 239,515	\$ (239,515)	\$ 1,328,163

The independent auditors' report and the accompanying notes are
an integral part of these consolidated financial statements.



Certified Public Accountants

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

Board of Directors
National Center for Healthy Housing, Inc. and Subsidiary

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of National Center for Healthy Housing, Inc. and Subsidiary (the Organization), which comprise the consolidated statement of financial position as of September 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated February 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated 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 consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free of 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Grandizio, Wilkins, Little & Matthews, LLP

Grandizio, Wilkins, Little & Matthews, LLP
February 17, 2025