

**VETERANS OUTREACH  
OF PENNSYLVANIA**

**DECEMBER 31, 2023**

**GOLDBERG & BALTHASER, P.C.**  
*Certified Public Accountants*  
**HARRISBURG, PENNSYLVANIA**

**VETERANS OUTREACH OF PENNSYLVANIA**

**HARRISBURG, PENNSYLVANIA**

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# GOLDBERG & BALTHASER, P.C.

*Certified Public Accountants*

3540 N. PROGRESS AVENUE  
SUITE 107  
HARRISBURG, PENNSYLVANIA 17110

(717) 652-9200  
FAX (717) 652-9201  
[www.BalthaserCPA.com](http://www.BalthaserCPA.com)

JACQUELINE M. BALTHASER, CPA, CGMA

BERTRAM H. GOLDBERG, CPA  
1927 - 2015

CAROL A. GROSS, CPA

## INDEPENDENT AUDITOR'S REPORT

June 25, 2024

The Board of Directors  
**VETERANS OUTREACH OF PENNSYLVANIA**  
Harrisburg, Pennsylvania

### Opinion

We have audited the accompanying financial statements of **VETERANS OUTREACH OF PENNSYLVANIA** (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **VETERANS OUTREACH OF PENNSYLVANIA** as of December 31, 2023, and the changes in net assets and its 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **VETERANS OUTREACH OF PENNSYLVANIA** 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.

### Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **VETERANS OUTREACH OF PENNSYLVANIA's** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 **VETERANS OUTREACH OF PENNSYLVANIA'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **VETERANS OUTREACH OF PENNSYLVANIA'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.

### **Report on Summarized Comparative Information**

We have previously audited VOPA's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 31, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Respectfully submitted,

*Goldberg & Balthase, P.C.*

**VETERANS OUTREACH OF PENNSYLVANIA**

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31,

2023

2022

**ASSETS**

**CURRENT ASSETS:**

Cash & Cash Equivalents	\$ 1,222,026	\$ 920,380
Accounts Receivable	282,926	-
Pledges Receivable	177,499	10,000
Pledges Receivable - In-Kind	987,504	751,954
Grants Receivable	1,109,104	-
Prepaid Expenses	-	1,638

**TOTAL CURRENT ASSETS**

3,779,059

1,683,972

**PROPERTY AND EQUIPMENT:**

Land & Development Costs - In-Kind	850,606	850,606
Land & Development Costs	623,915	519,754
Building Under Construction	2,141,588	-
Vehicles - In Kind	12,101	-
Equipment - In-Kind	7,950	7,950
Equipment	<u>6,442</u>	<u>6,442</u>
<b>Total</b>	3,642,602	1,384,752

Less - Accumulated Depreciation

6,097

2,613

**TOTAL PROPERTY AND EQUIPMENT**

3,636,505

1,382,139

**OTHER ASSETS:**

Pledges Receivable - Long-Term	206,667	-
Pledges Receivable - In-Kind - Long-Term	<u>-</u>	<u>15,000</u>

**TOTAL OTHER ASSETS**

206,667

15,000

**TOTAL ASSETS**

\$ 7,622,231

\$ 3,081,111

(CONTINUED)

**VETERANS OUTREACH OF PENNSYLVANIA**

**STATEMENTS OF FINANCIAL POSITION**

	AS OF DECEMBER 31,	
	2023	2022
	<b><u>LIABILITIES</u></b>	
<b>CURRENT LIABILITIES:</b>		
Current Portion of Long-Term Debt	\$ 25,896	\$ 25,370
Accounts Payable	<u>1,172,662</u>	<u>59,117</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>1,198,558</u>	<u>84,487</u>
<b>LONG-TERM LIABILITIES:</b>		
Note Payable	25,896	51,241
Less - Current Portion of Long-Term Debt	<u>25,896</u>	<u>25,370</u>
<b>TOTAL LONG-TERM LIABILITIES</b>	<u>-</u>	<u>25,871</u>
<b>TOTAL LIABILITIES</b>	<u>1,198,558</u>	<u>110,358</u>
	<b><u>NET ASSETS</u></b>	
<b>NET ASSETS:</b>		
Without Donor Restrictions	4,246,270	1,637,324
With Donor Restrictions:		
With Donor Restrictions - In-Kind	987,504	766,954
With Donor Restrictions	<u>1,189,899</u>	<u>566,475</u>
<b>Total With Donor Restrictions</b>	<u>2,177,403</u>	<u>1,333,429</u>
<b>TOTAL NET ASSETS</b>	<u>6,423,673</u>	<u>2,970,753</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 7,622,231</u>	<u>\$ 3,081,111</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**VETERANS OUTREACH OF PENNSYLVANIA**

**STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31,

	2023			2022
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	SUMMARIZED INFORMATION TOTAL
<b>SUPPORT AND REVENUE:</b>				
Contributions	\$ 312,890	\$ 1,000	\$ 313,890	\$ 110,434
In-Kind Contributions	-	232,651	232,651	958,740
Capital Campaign Income	-	1,599,842	1,599,842	456,125
Grants	5,000	1,433,904	1,438,904	423,000
Special Event Income	76,648	-	76,648	73,798
Investment Income	53,964	-	53,964	246
Net Assets Released from Restrictions	<u>2,423,423</u>	<u>(2,423,423)</u>	<u>-</u>	<u>-</u>
<b>Total Support and Revenue</b>	<u>2,871,925</u>	<u>843,974</u>	<u>3,715,899</u>	<u>2,022,343</u>
<b>EXPENSES:</b>				
Program Services	36,292	-	36,292	18,059
Management & General	62,205	-	62,205	24,894
Fundraising	<u>164,482</u>	<u>-</u>	<u>164,482</u>	<u>86,410</u>
<b>Total Expenses</b>	<u>262,979</u>	<u>-</u>	<u>262,979</u>	<u>129,363</u>
<b>CHANGE IN NET ASSETS</b>	2,608,946	843,974	3,452,920	1,892,980
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>1,637,324</u>	<u>1,333,429</u>	<u>2,970,753</u>	<u>1,077,773</u>
<b>NET ASSETS - END OF YEAR</b>	\$ <u>4,246,270</u>	\$ <u>2,177,403</u>	\$ <u>6,423,673</u>	\$ <u>2,970,753</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

**VETERANS OUTREACH OF PENNSYLVANIA**

**STATEMENTS OF FUNCTIONAL EXPENSES**

FOR THE YEARS ENDED DECEMBER 31,

	2023				2022
	PROGRAM	MANAGEMENT	FUNDRAISING	TOTAL	SUMMARIZED INFORMATION TOTAL
	SERVICES	& GENERAL			
Wages	\$ 19,077	\$ 11,539	\$ 27,846	\$ 58,462	\$ -
Payroll Taxes	1,205	2,095	1,937	5,237	-
Apparel	-	-	-	-	1,225
Bank Charges	153	-	-	153	159
Client Relations Management	2,903	-	-	2,903	3,172
Consulting	5,081	-	45,728	50,809	60,332
Depreciation Expense	3,483	-	-	3,483	2,613
Employee Benefits	60	104	95	259	-
Fundraising Expense	-	-	2,694	2,694	7,313
Insurance	-	23,148	-	23,148	4,307
Interest Expense	-	759	-	759	1,142
Marketing Costs	-	-	24,822	24,822	-
Miscellaneous Expense	793	-	-	793	900
Payroll Processing Fees	84	146	134	364	-
Printing	701	-	-	701	1,067
Professional Fees	-	24,033	43,958	67,991	19,445
Social Media Consulting	-	-	3,000	3,000	4,000
Special Event Expense	-	-	12,877	12,877	19,709
Supplies & Mailings	650	-	651	1,301	1,389
Telephone	167	291	270	728	-
Training	722	-	-	722	1,011
Travel	52	90	83	225	-
Utilities	-	-	-	-	-
Website	1,161	-	387	1,548	1,579
<b>TOTAL EXPENSES</b>	<b>\$ 36,292</b>	<b>\$ 62,205</b>	<b>\$ 164,482</b>	<b>\$ 262,979</b>	<b>\$ 129,363</b>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS



**VETERANS OUTREACH OF PENNSYLVANIA**

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED  
DECEMBER 31,

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Assets - Page 5	\$ 3,452,920	\$ 1,892,980
Adjustments to reconcile change in net assets to cash provided by operating activities -		
Depreciation & Amortization	3,483	2,613
In-Kind Contributions	(232,651)	(958,740)
Non-Cash Expenses	-	2,830
(Increase) in Accounts Receivable	(282,926)	-
(Increase) in Pledges Receivable	(167,499)	(10,000)
(Increase) in Grants Receivable	(1,109,104)	-
(Increase) Decrease in Prepaid Expenses	1,638	(858)
Increase in Accounts Payable	<u>1,113,545</u>	<u>44,824</u>
<b>TOTAL ADJUSTMENTS</b>	<u>(673,514)</u>	<u>(919,331)</u>
<b>Cash Provided from Operating Activities</b>	<u>2,779,406</u>	<u>973,649</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Pledges Receivable - Long-Term	(206,667)	-
Repaid on Note Payable	<u>(25,344)</u>	<u>(24,913)</u>
<b>Cash (Used for) Financing Activities</b>	<u>(232,011)</u>	<u>(24,913)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Equipment	-	(6,442)
Payments on Building Under Construction	(2,141,588)	-
Payments for Land Development Costs	<u>(104,161)</u>	<u>(163,906)</u>
<b>Cash (Used for) Investing Activities</b>	<u>(2,245,749)</u>	<u>(170,348)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	301,646	778,388
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>920,380</u>	<u>141,992</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ <u>1,222,026</u>	\$ <u>920,380</u>
Unrestricted Cash & Cash Equivalents	\$ 32,127	\$ 353,905
Restricted Cash & Cash Equivalents	<u>1,189,899</u>	<u>566,475</u>
Total Cash & Cash Equivalents	\$ <u>1,222,026</u>	\$ <u>920,380</u>

(CONTINUED)

**VETERANS OUTREACH OF PENNSYLVANIA**

**STATEMENTS OF CASH FLOWS**

FOR THE YEARS ENDED  
DECEMBER 31,

2023

2022

**SCHEDULE OF NON-CASH INVESTING ACTIVITIES:**

Non-Cash Additions to Equipment and Vehicles

\$ (12,101) \$ (7,950)

Non-Cash Land Improvements

- (181,006)

**Total Non-Cash Items**

\$ (12,101) \$ (188,956)

**INTEREST PAID FOR YEAR**

\$ 759 \$ 1,142

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

# VETERANS OUTREACH OF PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

#### NATURE OF OPERATIONS -

Veterans Outreach of Pennsylvania (VOPA) was established under the non-profit corporation laws of the Commonwealth of Pennsylvania. VOPA's mission is to stand to combat homelessness among veterans by providing support and services needed to promote an empowered life filled with strength and purpose. VOPA was granted exempt status under Section 501(c)(3) of the Internal Revenue Code on November 8, 2018.

VOPA is currently wrapping up a Capital Campaign to build a village of 15 tiny homes surrounding a 6,500 square foot community center for homeless veterans on an approximate 5-acre plot along the Susquehanna River in South Harrisburg (hereafter referred to as "Veterans Grove.") This unique but proven concept is specially designed to meet the specific needs of homeless veterans. A calm setting, close to transportation and service providers, is a significant component of the veterans' healing process.

VOPA is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no tax liability is incurred unless the entity income is considered to be unrelated business income.

#### BASIS OF ACCOUNTING -

The financial statements of VOPA have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

#### BASIS OF PRESENTATION -

VOPA's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP). Current US GAAP standards are contained in the Accounting Standards Codification (ASC), as set forth by the Financial Accounting Standards Board (FASB).

US GAAP requires VOPA to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of VOPA. These net assets may be used at the discretion of VOPA's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of VOPA or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

#### CONTRIBUTIONS AND PROMISES TO GIVE -

Contributions that are restricted by the donor for some passage of time or event are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Contributions are recognized when the donor makes a promise to give to the organization that is, in substance, unconditional.

(CONTINUED)

# VETERANS OUTREACH OF PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

#### CONTRIBUTIONS – IN-KIND -

In-kind contributions are reflected as contributions at their fair value at date of pledge or donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. VOPA recognizes the fair value of contributed services received if such services a) create or enhance non-financial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. VOPA receives services from a large number of volunteers who give significant amounts of their time to VOPA's programs and fundraising campaigns, but which do not meet the criteria for financial statement recognition.

#### CONCENTRATIONS OF CREDIT RISK -

Financial instruments that potentially subject VOPA to concentrations of credit risk consist principally of cash and cash equivalents. VOPA maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. VOPA's cash and cash equivalent accounts have been placed with high credit quality financial institutions. VOPA has not experienced, nor does it anticipate, any losses with respect to such accounts.

#### PROPERTY AND EQUIPMENT -

Property and equipment are stated at cost if purchased and at fair value at the date of contribution of assets donated to VOPA. In-kind contributions of property and equipment not yet received are recorded at fair value when they are pledged. They remain in pledges receivable – in-kind until they are placed in service, at which time they are moved to property and equipment and depreciated accordingly.

VOPA capitalizes additions of property and equipment in excess of \$2,500 cost or fair value, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the fiscal years ended December 31, 2023 and 2022 was \$3,483 and \$2,613, respectively.

#### CASH EQUIVALENTS -

VOPA considers all short-term investments with an original maturity of three months or less to be cash equivalents, except for those amounts, if applicable, that may be held in an investment portfolio, which would be invested for long-term purposes.

#### SUMMARIZED COMPARATIVE INFORMATION -

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with VOPA's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

#### USE OF ESTIMATES -

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

#### FUNCTIONAL EXPENSES -

The financial statements may report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied.

(CONTINUED)

# VETERANS OUTREACH OF PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

#### TAXATION -

VOPA is exempt from federal income tax as provided by Code Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by VOPA. Management evaluated the tax positions taken and concluded that VOPA had taken no uncertain tax positions that require recognition or disclosure in the financial statements. No provision or benefit for income taxes has been included in these financial statements.

#### RIGHT-OF-USE ASSETS AND LIABILITIES -

VOPA determines if an arrangement is or contains a lease at inception of the contract. In accordance with the Financial Accounting Standards Board (FASB) ASU No. 2016-02, *Leases* (Topic 842), leases are classified as either finance or operating. A right-of-use (ROU) asset represents the right to use the underlying asset for the lease term and a lease liability represents the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. As leases generally do not provide an implicit rate, VOPA's incremental borrowing rate or a risk-free borrowing rate at the commencement date is used to determine the present value of future payments. A finance ROU asset is amortized using the straight-line method over the lease term, or the asset's useful life if ownership is transferred. An operating ROU asset is reduced based on the lease amortization schedule. Lease terms may include options to extend the lease, terminate the lease, or purchase the leased asset. The value of a lease option is reflected in the valuation if it is reasonably certain management will exercise the option. Leases with a term of twelve months or less are considered short term, and therefore, no asset or liability is recognized. In the event that a significant lease would be recorded, VOPA has elected not to separate the lease components from non-lease components for all asset classes. There were no significant leases for the years ended December 31, 2023 and 2022.

### NOTE 2 - CASH AND CASH EQUIVALENTS:

The balance of cash and cash equivalents was comprised of the following funds as of:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Checking Accounts – non-interest bearing	\$ 61,811	\$ 367,359
Checking Account – 0.20%	348,644	553,016
Checking Account – 0.10%	28,427	-0-
Savings Accounts	15	5
Fidelity Government Cash Reserves Account – 5.020%	783,129	-0-
TOTAL	\$ <u>1,222,026</u>	\$ <u>920,380</u>

### NOTE 3 - PLEDGES RECEIVABLE:

As of December 31, 2023, VOPA had outstanding pledges in the amount of \$384,166, which were restricted for the Capital Campaign. Of this amount, \$177,499 is short-term and \$206,667 is long-term.

As of December 31, 2023, VOPA had in-kind pledges receivable in the amount of \$987,504. They represent contributions of various building components. Building components in the amount of \$987,504 will be completed by the end of 2024. See Note 10 for valuation of these in-kind pledges.

(CONTINUED)

**VETERANS OUTREACH OF PENNSYLVANIA**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 4 - GRANTS AND GRANTS RECEIVABLE:**

VOPA was awarded various grants in the amount of \$324,800 during 2023. As of December 31, 2023, there were still restricted grants unused in the amount of \$109,800. These unused restricted grants are for clinical staff salaries, kitchen equipment, clinical software, and 2024 operations, and will be utilized over the next year. They are properly recorded as net assets with donor restrictions in the statement of financial position.

On November 18, 2022, VOPA was notified that Governor Wolf authorized the release of \$1,500,000 in Redevelopment Assistance Capital Program (RACP) funding for Veterans Grove, as a subgrantee of Dauphin County Redevelopment Authority. It is a reimbursable grant. As of December 31, 2023, VOPA had used \$1,109,104 of the RACP funding for construction of the building. This is listed as a grant receivable on the statement of financial position. Reimbursement of the RACP grant will not be received until close-out of the grant, which management expects will occur prior to December 31, 2024.

**NOTE 5 - LINE OF CREDIT:**

VOPA established a non-revolving draw down line of credit in the amount of \$3,000,000. The line is secured by the residential real estate. The interest rate is fixed at 5.95%. The draw expiration date is July 7, 2026. As of December 31, 2023, the line of credit has not been used.

**NOTE 6 - NOTE PAYABLE:**

VOPA borrowed funds in the amount of \$100,000 on May 18, 2020. The note is payable in four equal installments of \$26,139.06, which includes interest at 1.5%. The first annual installment was due December 5, 2021, and the 5<sup>th</sup> of December annually until paid in full. The loan is not collateralized.

All is current..... \$25,896

**NOTE 7 - RELATED PARTY TRANSACTIONS:**

The note payable is due to current Board Members of VOPA.

**NOTE 8 - NET ASSETS:**

Net assets with donor restrictions are as follows as of:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Restricted Grants	\$ 109,800	\$ 275,000
Capital Campaign	<u>1,080,099</u>	<u>291,475</u>
Total	1,189,899	566,475
Capital Campaign – In-Kind	<u>987,504</u>	<u>766,954</u>
TOTAL	\$ <u>2,177,403</u>	\$ <u>1,333,429</u>

(CONTINUED)

**VETERANS OUTREACH OF PENNSYLVANIA**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 8 - NET ASSETS (Continued):**

Net assets without donor restrictions are as follows as of:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Undesignated	\$ 4,246,270	\$ 1,637,324
Board Designated	-0-	-0-
	\$ <u>4,246,270</u>	\$ <u>1,637,324</u>

Net assets released from net assets with donor restrictions are as follows for the years ended:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Satisfaction of Purpose Restrictions For Program Services	\$ <u>2,423,423</u>	\$ <u>579,136</u>

**NOTE 9 - CAPITAL CAMPAIGN:**

VOPA is constructing a village of 15 tiny homes surrounding a community center for homeless veterans. This site is above the 100-year flood plain, and within the 500-year flood plain. VOPA is specifically designed to meet the unique needs of veterans while recreating the stable support network last offered to them before they left the service. To fund the acquisition and construction costs, in late 2021, VOPA began a Capital Campaign to raise \$4.1 million. Construction of the facilities was completed in 2024. A ribbon cutting ceremony occurred on May 29, 2024, with the first day of operations occurring on June 10, 2024.

Cash and promises to give for the Capital Campaign are restricted to payment of the cost of construction of the facilities. As of December 31, 2023, pledges receivable amounted to \$384,166. VOPA also received pledges for non-financial contributions in the amount of \$987,504 as of December 31, 2023. These regular and in-kind pledges receivable are properly recorded on the statement of financial position and as contributions on the statement of activity.

**NOTE 10 - IN-KIND CONTRIBUTIONS AND CONTRIBUTED SERVICES:**

VOPA recognized the following in-kind contributions during the years ended:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Vehicles	\$ 12,101	\$ -0-
Land and Land Development Costs	-0-	181,006
Furniture and Fixtures	-0-	22,950
Building Construction	220,550	751,954
Services	-0-	2,830
TOTAL	\$ <u>232,651</u>	\$ <u>958,740</u>

VOPA recognized contributed non-financial assets within revenue, including land and land improvements, furniture and fixtures, building components, vehicles, and services. Unless otherwise noted, contributed non-financial assets did not have donor-imposed restrictions.

Vehicles will be utilized for program services for homeless veterans. The cost was estimated at fair value based upon current costs for similar items.

(CONTINUED)

**VETERANS OUTREACH OF PENNSYLVANIA**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**NOTE 10 - IN-KIND CONTRIBUTIONS AND CONTRIBUTED SERVICES (Continued):**

The land and land development costs will be utilized for program services for homeless veterans. The cost of the land was estimated using Dauphin County assessed land value. The cost of land improvements was estimated at fair value based on current costs for similar development costs.

Furniture and fixtures will be utilized in program services for homeless veterans. The cost was estimated at fair value based upon current costs for similar items.

Building construction is made up of various building components which were pledged to be utilized in the construction of Veterans Grove, which was completed in 2024. It includes windows and doors, roofing, flooring, and other structural components. The cost was estimated at fair value based upon current costs for similar items. These in-kind contributions are restricted for the Capital Campaign and are reported as pledges receivable – in-kind on the statement of financial position if work has not been completed but was pledged. Construction was completed in 2024 and pledges receivable – in-kind will be moved to property and equipment at the date of completion, which was May 29, 2024.

Contributed services recognized in 2022 were comprised of professional media services to create a 3D video, which is utilized to promote the Capital Campaign. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar marketing services.

**NOTE 11 - AVAILABILITY AND LIQUIDITY:**

The following represents VOPA’s financial assets as of:

Financial assets at year-end:	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash and Cash Equivalents	\$ 1,222,026	\$ 920,380
Accounts Receivable	282,926	-0-
Pledges Receivable	177,499	10,000
Grants Receivable	<u>1,109,104</u>	<u>-0-</u>
Total financial assets	2,791,555	930,380
Less - amounts not available to be used within one year:		
Net assets with donor restrictions	<u>1,189,899</u>	<u>566,475</u>
Financial assets available to meet general expenditures over the next twelve months	\$ <u>1,601,656</u>	\$ <u>363,905</u>

VOPA uses budgets to monitor its revenue and expenses throughout the year, in order to meet their annual cash needs. The VOPA Board of Directors reviews cash available on a monthly basis.

**NOTE 12 - SUBSEQUENT EVENTS:**

VOPA has evaluated subsequent events through June 25, 2024, the date which the financial statements were available to be issued. There were no material subsequent events that require recognition or additional disclosure in these financial statements.