

APNA GHAR, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(With comparative totals information for the year ended June 30, 2022)



CERTIFIED PUBLIC ACCOUNTANTS

1775 Legacy Circle

Naperville, IL 60563

APNA GHAR, INC.
 CONTENTS
 FOR THE YEAR ENDED JUNE 30, 2023

	Page No(s)
<u>Independent Auditor's Report</u>	
<u>Financial Statements:</u>	
Statement of Financial Position	1
Statement of Activities and Change in Net Assets	2
Statement of Functional Expenses	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 9
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	10-11
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	12-14
Schedule of Findings and Questioned Costs	15-16
Schedule of Expenditures of Federal Awards	17 - 18



1775 Legacy Circle
Naperville, IL 60563

Independent Auditor's Report

The Board of Directors
Apna Ghar, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Apna Ghar, Inc. ("AGI"), which comprise the statement of financial position as of June 30, 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 accompanying financial statements present fairly, in all material respects, the financial position of AGI as June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of AGI 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 the 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 AGI's ability to continue as a going concern for one year after the date that the financial statements are 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 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 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 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 AGI'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 AGI'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 the AGI'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

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information such as the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis 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 accompanying schedule of expenditures of federal awards 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 January 23, 2024, on our consideration of AGI'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 AGI's 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 AGI's internal control over financial reporting and compliance.

BG Advisors CPA, Ltd

BG Advisors CPA, Ltd
Naperville, IL
January 23, 2024

APNA GHAR, INC.
STATEMENT OF THE FINANCIAL POSITION
AS OF JUNE 30, 2023
(With comparative totals for June 30, 2022)

	June 30, 2023			June 30, 2022
	Without Donor Restrictions	With Donor Restrictions	Total	
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	\$ 3,390,350	\$ -	\$ 3,390,350	\$ 2,718,871
Grant and contract fees receivable	634,482	-	634,482	770,162
Prepaid expenses	5,165	-	5,165	40,449
Total current assets	4,029,997	-	4,029,997	3,529,482
Fixed assets:				
Building and improvements	1,696,377	-	1,696,377	1,657,689
Furniture and equipment	201,737	-	201,737	201,737
Computer equipment	216,363	-	216,363	105,897
Less: accumulated depreciation	(695,672)	-	(695,672)	(609,315)
Land	219,020	-	219,020	219,020
Total fixed assets	1,637,825	-	1,637,825	1,575,028
Other assets:				
Office lease security deposits	5,120	-	5,120	3,770
Right-of-use asset (Note 5)	38,516	-	38,516	-
	43,636	-	43,636	3,770
Total assets	\$ 5,711,458	\$ -	\$ 5,711,458	\$ 5,108,280
<u>LIABILITIES AND NET ASSETS</u>				
Current liabilities:				
Accounts payable	\$ 84,696	\$ -	84,696	\$ 58,678
Accrued expenses	93,851	-	93,851	39,116
Operating lease liabilities, current portion (Note 5)	29,152	-	29,152	-
	207,699	-	207,699	97,794
Long-Term Debt :				
Operating lease liabilities, net of current portion (Note 5)	9,364	-	9,364	-
Total liabilities	217,063	-	217,063	97,794
Net assets:				
Without donor restrictions	5,494,395	-	5,494,395	5,010,486
Total liabilities and net assets	\$ 5,711,458	\$ -	\$ 5,711,458	\$ 5,108,280

The accompanying notes are an integral part of these financial statements

APNA GHAR, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023
(With summarized comparative totals for the year ended June 30, 2022)

	Year Ended June 30, 2023			June 30, 2022
	Without Donor Restrictions	With Donor Restrictions	Total	
Public support and revenue:				
Public support:				
Grants, contributions, and sponsorship	\$ 3,263,175	\$ -	\$ 3,263,175	\$ 2,942,240
Contributions	1,259,164	-	1,259,164	1,051,283
Donated asset				30,940
Total public support	<u>4,522,338</u>	<u>-</u>	<u>4,522,338</u>	<u>4,024,463</u>
Revenue:				
Rental Income	-	-	-	11,589
Program Income	19,979	-	19,979	-
Interest Income	5,024	-	5,024	2,031
Miscellaneous income	10,159	-	10,159	24,360
Total revenues	<u>35,162</u>	<u>-</u>	<u>35,162</u>	<u>37,980</u>
Total public support and revenue	<u>4,557,500</u>	<u>-</u>	<u>4,557,500</u>	<u>4,062,443</u>
Program and supporting services expense:				
Program services:	3,117,538	-	3,117,538	2,791,653
Total program services expenses	<u>3,117,538</u>	<u>-</u>	<u>3,117,538</u>	<u>2,791,653</u>
Supporting services:				
General management and administration	832,475	-	832,475	378,532
Resource development	123,580	-	123,580	19,311
Total supporting service expenses	<u>956,054</u>	<u>-</u>	<u>956,054</u>	<u>397,843</u>
Total expenses	<u>4,073,592</u>	<u>-</u>	<u>4,073,592</u>	<u>3,189,496</u>
Net operating revenue (expenses)	<u>483,909</u>	<u>-</u>	<u>483,909</u>	<u>872,947</u>
Net increase (decrease) in net assets	483,909		483,909	872,947
Prior period adjustment (Note 6)				(240,580)
Net assets:				
Beginning of the year	5,010,486	-	5,010,486	4,378,119
End of the year	<u>\$ 5,494,395</u>	<u>\$ -</u>	<u>5,494,395</u>	<u>\$ 5,010,486</u>

The accompanying notes are an integral part of these financial statements

APNA GHAR, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	SUPPORTING SERVICES				Total expenses
	Program Services	General Mgmt. & Admin.	Fundraising	Total Supporting Services	
Salaries and payroll taxes	\$ 1,747,932	\$ 216,037	\$ -	\$ 216,037	1,963,969
Employee benefits	296,756	36,678	-	36,678	333,434
Client assistance	572,114	544	-	544	572,658
Contractual services	154,962	204,481	2,520	207,001	361,963.00
Professional services	36,363	105,106	58,695	163,801	200,164.00
Office expenses	30,347	50,686	12,123	62,809	93,156
Furniture & Equipment	7,465	24,598	-	24,598	32,063
Dues and subscriptions	1,813	25,934	260	26,194	28,007
Events	-	2,110	49,729	51,838	51,838
Storage	625	-	-	-	625
Occupancy	44,677	58,404	-	58,404	103,082
Insurance	9,341	1,155	-	1,155	10,496
Conference & Meetings	4,246	8,139	246	8,385	12,631
Employee Engagement	16,305	-	-	-	16,305
Business Taxes & Licensing Fees	-	1,213	-	1,213	1,213
Service fees	99	611	5	617	715
Staff Travel	15,895	9,855	-	9,855	25,750
Subgrantees	173,100	-	-	-	173,100
Interest expense	-	568	-	568	568
Bad debt expenses	4,930	-	-	-	4,930
Depreciation	-	86,357	-	86,357	86,357
Miscellaneous	568	-	-	-	568
	<u>\$ 3,117,538</u>	<u>\$ 832,475</u>	<u>\$ 123,580</u>	<u>\$ 956,053</u>	<u>4,073,592</u>
Total functional expenses	<u>\$ 3,117,538</u>	<u>\$ 832,475</u>	<u>\$ 123,580</u>	<u>\$ 956,053</u>	<u>4,073,592</u>

The accompanying notes are an integral part of these financial statements

APNA GHAR, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(With comparative totals for the year ended June 30, 2022)

	Year Ended	
	June 30, 2023	June 30, 2022
Cash flow from operating activities		
Net increase in net assets	\$ 483,909	\$ 872,947
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Depreciation	86,357	102,733
(Increase) decrease in:		
Contract fees and grant receivable	135,680	(593,654)
Prepaid expenses and other	33,934	(37,921)
Increase (decrease) in liabilities:		
Accounts payable	26,018	(100,202)
Accrued expenses	54,735	39,116
Net cash provided by operating activities	820,633	283,019
Cash flow used in investing activities		
Proceeds from sale of furniture and equipment	-	23,253
Purchases of property and equipment	(149,154)	(169,049)
Net cash used in investing activities	(149,154)	(145,796)
Net Increase in cash	671,479	137,933
Cash, Beginning of the year	2,718,871	2,580,938
Cash, End of the year	\$ 3,390,350	\$ 2,718,871

The accompanying notes are an integral part of these financial statements

APNA GHAR, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 – HISTORY AND NATURE OF THE ORGANIZATION

The Apna Ghar, Inc., (AGI), incorporated in Illinois on January 3, 1990, provides holistic services, and conducts outreach and advocacy across immigrant communities to end gender violence. AGI aims to help survivors of gender violence achieve safety, stability, and self-sufficiency, and to provide community education and advocacy in an effort to positively impact systems and improve overall conditions for the survivors it serves. AGI developed its own model of holistic service delivery in collaboration with Loyola University’s Center for Urban Research and Learning based on an ecological framework that takes individual, family, community, as well as systemic and societal barriers into account.

AGI has grown in size and in scope since its incorporation in 1990. It has developed responsive and innovative programming to address the needs of Chicago’s growing immigrant and nonimmigrant populations, providing multilingual, culturally appropriate programs and services for survivors of gender violence from fifty (50) different countries. AGI services include a 24- hour crisis line, emergency shelter or safe home, transitional housing, case management, individual and group counseling, legal advocacy, a supervised visitation, and safe exchange program that includes a court liaison, community education, outreach, and training, as well as institutional and policy advocacy.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. As recommended by the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) No. 958-205, Not-for-Profit Entities, Presentation of Financial Statements, AGI reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Accordingly, net assets and changes therein are classified as follows:

Without donor restrictions: Net assets not subject to donor-imposed restrictions.

With donor restrictions: Net assets subject to donor-imposed stipulations that may or will be met by actions of AGI. As of June 30, 2023, AGI had no net assets with donor restrictions.

Revenue is reported as an increase in net assets without donor restrictions unless use of the related assets are limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or law. Expiration of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) is reported as reclasses between with donor restrictions and without donor restrictions.

Cash and Cash Equivalents

AGI considers cash on deposit at bank(s) and highly liquid investments (e.g. amounts held in certificates of deposit and money market accounts) with original maturities of three (3) months or less at the date of purchase to be cash and cash equivalents.

Fixed Assets

Fixed assets are stated at historical cost. Depreciation is computed under the straight-line method. Fixed assets are depreciated based on an estimated useful life of 5 – 27.5 years. Depreciation expense was \$86,357 as of June 30, 2023.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of

APNA GHAR, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimate.

Revenue Recognition

Contributions

AGI accounts for contributions in accordance with FASB ASC 958-605, Not-for-Profit Entities,

Revenue Recognition. Per FASB ASC 958-605, contributions, including unconditional promises-to-give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions from unconditional promises to give that are to be received after one year are discounted at an appropriate discount rate based on an average Federal Funds rate.

Government Contract Revenue

AGI has grant agreements with state and local government agencies to fund its programs. For reimbursement-type grant agreements revenue is recognized in conjunction with program expenditures. Program expenditures are charged to the extent that such expenditures are reimbursable according to the terms of the applicable grant agreement. These expenditures are subject to audit and acceptance by the government funding sources and, as a result of such an audit, claims against AGI for disallowed costs or noncompliance with grantor restrictions could be determined. Management does not anticipate any future adjustments for the revenue shown for fiscal year 2023.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated to specific program services based on direct benefit obtained. All remaining costs are considered general support to all programs and AGI in general.

Income Taxes

AGI is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income. AGI had no unrelated business income during fiscal year 2023, and therefore, no provision for federal or state income taxes has been made in the accompanying financial statements. In addition, AGI has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code. In accordance with FASB ASC 740-10, which addresses income taxes, AGI believes there are no significant uncertain tax positions resulting in liabilities that would have been required to be recorded for the year ended June 30, 2023. AGI’s information returns for the previous three (3) years are open, by statute, for review by authorities.

Leases, Right of Use Asset and Lease Liability

Effective July 1, 2022, AGI adopted Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”) 842, Leases. Organization determines if an arrangement contains a lease at inception based on whether AGI has the right to control the asset during the contract period and other facts and circumstances. AGI elected the package of practical expedients permitted under the transition guidance within the new standard, which, among other things, allowed it to carry forward the historical lease classification.

AGI has a lease agreement for its office facility. AGI does not separate lease components from non-lease components for its real estate lease. For operating leases that have a lease term of greater than one year, the Organization initially recognizes operating lease liabilities and right-of-use (“ROU”) assets at the lease commencement date, which is the date that the lessor makes an underlying asset available for use by the Organization. ROU assets represent organization’s right to use an underlying asset for the lease term and lease liabilities represent the present value of the organization’s obligation to make lease payments, including

APNA GHAR, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

escalating fixed payments and net of rent holiday months, over the lease term. The discount rate used to determine the present value of the lease payments is the risk free interest rate for a similar term because the implicit rate in the lease is not readily determinable. The organization’s lease term for its leases represent the noncancelable period for which the Organization has the right to use an underlying asset, together with all of the following: (i) periods covered by an option to extend the lease if the Organization is reasonably certain to exercise that option; (ii) periods covered by an option to terminate the lease if organization is reasonably certain not to exercise that option; and (iii) periods covered by an option to extend (or not to terminate) the lease in which exercise of the option is controlled by the lessor. The Organization recognizes lease payments as lease expense on a straight-line basis over the lease term. The organization’s operating ROU asset and lease liability are presented as separate assets and liabilities, respectively, in the Statement of Financial Position.

NOTE 3: CONCENTRATION OF MARKET RISK

AGI’s total revenues for the year ended 2023 was \$4,557,502. Of this amount, government funding received from federal, state and local government agencies was \$3,253,175 (71.4%), respectively, for the year ended 2023. The remaining revenue for the fiscal year was from program service fees and miscellaneous revenue. The concentration on government funding puts AGI at risk in the event there is a significant change in the economy resulting in less government spending. Additionally, AGI is subject to the management decisions and operating results of these government agencies.

NOTE 4: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects AGI’s financial assets of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position because of contractual obligations:

Financial Assets	2023
Cash and cash equivalents	\$3,390,350
Grant and contract fees receivable	\$634,482
Prepaid expenses	\$5,165
Total	<u>\$4,029,997</u>

APNA GHAR, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5: LEASE COMMITMENTS

AGI leases satellite office space located in Chicago, IL from October 14, 2019, and renewed the lease on September 30, 2022 through October 31, 2024. The initial monthly base rent under this lease was \$2,315 and is scheduled to increase by 3.5% on each anniversary date of the agreement. Office rent expense under this lease, for the fiscal year ended June 30, 2023, was \$27,780.

AGI also leases office space, located in Chicago, IL, under an agreement that began on August 1, 2022. The initial monthly rent under this lease was \$1,600. Office rent expense under this lease for the fiscal year ended June 30, 2023 was \$17,600.

Total office lease expenses for the fiscal year ended June 30, 2023 was \$45,380.

Weighted average lease term and discount rate for operating leases as of June 30, 2023 were as follows:

Weighted average remaining lease term: 2.33

Weighted average discount rate: 2.88%

Future based rent obligation under these lease as of June 30, 2023 are as follows:

Year ending June 30, 2024:	\$38,432
Less interest:	(84)
	<hr/>
Present value of lease liability:	\$38,516
	<hr/>

NOTE 6: PRIOR PERIOD ADJUSTMENT

During fiscal year 2022, an adjustment was made by management to recognize depreciation that should have been recognized in previous periods for building improvements. The effect of the prior period adjustment was \$240,580.

NOTE 6: SUBSEQUENT EVENTS

In connection with the preparation of the financial statements for the year ending June 30, 2023 and in accordance with ASC Topic 855, Subsequent Events, management has evaluated subsequent events through January 23, 2024, which is the date the financial statements were available to be issued.



Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
Apna Ghar, Inc.
Chicago, IL 60613

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 financial statements of the Apna Ghar, Inc., (AGI), an Illinois nonprofit organization, which comprise the statements of financial position as of June 30, 2023, the related statements of activities and statement of cash flows for the fiscal years then ended, and their related notes to the financial statements, and have issued our report thereon dated January 23, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered AGI’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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of AGI’s internal control. Accordingly, we do not express an opinion on the effectiveness of AGI’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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the AGI’s 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 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 result of that testing, and not to provide an opinion on the effectiveness of the AGI's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering AGI's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BG Advisors CPA, Ltd

BG Advisors CPA, Ltd

Naperville, Illinois

January 23, 2024



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

The Board of Directors
Apna Ghar, Inc.
Chicago, IL 60613

Report on Compliance for Each Major Federal Program

We have audited the Apna Ghar, Inc., (AGI) 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 each of AGI's major federal programs for the fiscal year ended June 30, 2023. AGI's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, AGI complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of AGI and to meet our other ethical responsibilities, in accordance with 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 each major federal program. Our audit does not provide a legal determination of AGI'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 AGI's federal programs.

Auditor's 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 AGI'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 AGI's compliance with the requirements of each 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 AGI'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 AGI'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 AGI'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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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.

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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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.

BG Advisors CPA, Ltd

BG Advisors CPA, Ltd
Naperville, Illinois
January 23, 2024

APNA GHAR, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2023

SECTION I – SUMMARY OF AUDITOR’S RESULTS	
<u>Financial Statements</u>	
Type of auditor’s report issued:	Unmodified
Internal control over financial reporting: Any material weaknesses identified?	NO
Any reportable conditions identified that are not considered to be material weaknesses?	NO
Any non-compliance material to financial statements noted?	NO
<u>Federal Awards</u>	
Internal control over major programs: Any material weaknesses identified?	NO
Any reportable conditions identified that are not considered to be material weaknesses?	NO
Type of auditor report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	NO
<u>Identification of major programs:</u>	
16.588 Violence Against Women Formula Grants	
93.667 Social Services Block Grant	
93.671 Family Violence Prevention Services	
14.267 Housing and Urban Development Continuum of Care	
14.267 HUD RRH GBV	
Dollar threshold to distinguish between type A and type B programs:	\$750,000
SECTION II – FINANCIAL STATEMENT FINDINGS	
For the fiscal year ended June 30, 2023, there were no reportable conditions, material weaknesses, or instances of non-compliance related to the financial statements that are required to be reported in accordance with the Uniform Guidance.	
SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS	
For the fiscal year ended June 30, 2023, there were no matters required to be reported under Uniform Guidance CFR 200.516(a).	
SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	
Internal Control Findings	
Finding 2022-01 Material Misstatements of Financial Statements	
<p>There were prior year transactions related to depreciation and accrued payroll that were not recorded in the proper accounting period. The errors noted resulted in a decrease in net assets of \$58,446 at year-end and an increase of \$128,387 in the net assets beginning balance. This was a repeat of prior year audit finding 2021-01.</p>	

APNA GHAR, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Status

AGI resolved the deficiency by hiring an in house accountant and contracted an accounting firm for oversight. AGI also re-started the process of closing the financials statements on a monthly basis and presented the financials for board of directors' approval on a quarterly basis.

Compliance Findings

No matters were reported

Findings and Questioned Costs Relating to Compliance Over Federal Awards

No matters were reported.

Internal Control Findings

No matters were reported.

Compliance Findings

No matters were reported.

**SECTION V – REPORTING REQUIREMENT UNDER
UNIFORM GUIDANCE CFR 200.520**

Auditee qualified as a low-risk auditee?

NO`

APNA GHAR, INC.
Schedule of Expenditures of Federal Awards Year ended June 30, 2023

Federal Grantor/Pass -Through Grantor/ Program or Cluster Title/Grant Title	CFDA Number	Grant Number	Expenditures	Payments Received
<u>Major Programs</u>				
U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, OFFICE OF VIOLENCE AGAINST WOMEN				
Passed through Illinois Criminal Justice Information Authority (ICJIA)				
Violence Against Women Formula Grants (Illinois Coalition Against Domestic Violence -				
Violence Against Women Formula Grants (Illinois Coalition Against Domestic Violence - VAWA)	16.588	620002	31,627	11,706
Violence Against Women (ICJIA - Culturally Specific Services Program - VAWA)	16.588	618011	112,346	77,526
Subtotal			143,973	89,232
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Illinois Department of Human Services (IDHS)				
Social Services Block Grant	93.667	FCSBT01430	42,957	42,957
Social Services Block Grant	93.667	FCSBT014	205,140	205,140
Family Violence Prevention Services	93.671	FCSBT01430	104,000	104,000
Subtotal			352,097	352,097
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Housing and Urban Development Continuum of Care	14.267	IL693D5T1020 01	375,621	352,701
HUD RRH GBV	14.267	IIL1759D5T10 2100	149,428	149,429
Subtotals			525,049	502,130
Total Expenditures of Major Programs			1,021,119	943,459
<u>Nonmajor Programs</u>				
U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, OFFICE FOR VICTIMS OF CRIME				
Passed through Illinois Criminal Justice Information Authority (ICJIA)				
Crime Victim Assistance Grant Program (Illinois Coalition Against Domestic Violence -				
Crime Victim Assistance Grant Program (Illinois Coalition Against Domestic Violence -VOCA)	16.575	219001	266,581	199,890
Pass through - Wings Program and ICJIA - VOCA	16.575	218080 & 219080	82,447	82,447
Pass through - LifeSpan and ICJIA - VOCA Comprehensive Legal Assistance	16.575		3,033	3,033
Subtotals			352,061	285,370
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through the City of Chicago Department of Family and Support Services				
City of Chicago CDBG CFDA (SVSE)	14.218	174523/227800	\$ 105,790	\$ 87,718
City of Chicago CDBG CFDA (Legal)	14.218	177758/228721	35,349	23,206
Subtotal			141,139	110,924

U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, OFFICE FOR VICTIMS OF CRIME

Passed through Illinois Criminal Justice Information Authority (ICJIA)

Pass through - Community Based Violence	21.027	822013	156,388	143,912
			<hr/>	
Subtotal			156,388	143,912

U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, OFFICE OF VIOLENCE AGAINST WOMEN

Passed through Illinois Criminal Justice Information Authority (ICJIA)

Violence Against Women Formula Grants

(Illinois Coalition Against Domestic Violence -

Violence Against Women (Culturally Specific Services Program - OVW)	16.016	2019-UW-AX-0011	61,532	61,532
Pass through - Northeastern Illinois University (Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus)	16.525	15OVW-21-GG-01051-CAMP	337	337
			<hr/>	
Subtotal			61,869	61,869

U.S. DEPARTMENT OF HOMELAND SECURITY'S FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)

Passed through United Way of Metropolitan Chicago

Emergency Food and Shelter Program	97.024	39-237800-123	53,500	53,500
Coronavirus Emergency (ICJIA-CESF)	16.034	546-00-2413	26,876	26,876
Expedited Housing Initiative (All Chicago)	14.231	155960	52,744	52,744
Subtotal			<hr/>	
Total of Nonmajor Programs			133,120	133,120
			<hr/>	
TOTAL EXPENDITURES OF FEDERAL AWARDS			844,577	735,195
			<hr/>	
			1,865,696	1,678,654
			<hr/>	