
FISHER HOUSE IN ST. LOUIS

FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

FISHER HOUSE IN ST. LOUIS
DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Fisher House in St. Louis

Opinion

We have audited the financial statements of **Fisher House in St. Louis** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years 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 **Fisher House in St. Louis** as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 **Fisher House in St. Louis** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 **Fisher House in St. Louis**' ability to continue as a going concern for one year after the date that the financial statements are issued.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibility

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 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, 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 **Fisher House in St. Louis'** 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 **Fisher House in St. Louis'** 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.

Kiefer Bonfanti & Co. LLP

St. Louis, Missouri
November 7, 2024

FISHER HOUSE IN ST. LOUIS

STATEMENTS OF FINANCIAL POSITION

	Assets	
	December 31,	
	2023	2022
Current Assets		
Cash and cash equivalents	\$ 204,416	\$ 2,454,240
Grant receivable	50,000	-
Investments, at fair value	2,484,348	8,860
Total Assets	\$ 2,738,764	\$ 2,463,100
 Liabilities and Net Assets		
Current Liabilities		
Accrued expenses	\$ 23,766	\$ 15,800
Net Assets		
Without donor restrictions		
Undesignated	664,998	447,300
Board designated	2,000,000	2,000,000
With donor restrictions	50,000	-
Total Net Assets	2,714,998	2,447,300
Total Liabilities and Net Assets	\$ 2,738,764	\$ 2,463,100

FISHER HOUSE IN ST. LOUIS

STATEMENTS OF ACTIVITIES

	<u>Years Ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Net Assets Without Donor Restrictions		
Support, Revenues, and Gains		
Individual and business contributions	\$ 102,802	\$ 159,109
CFC contributions	7,287	11,222
Grants	94,425	96,618
Special events	120,321	105,285
Interest income	73,892	20,903
Other income	414	-
Unrealized loss on investments	(107)	(776)
Total Support, Revenues, and Gains	399,034	392,361
Expenses		
Program services	95,057	63,741
Support services		
Management and general	19,575	17,753
Fundraising	66,704	56,091
Total Expenses	181,336	137,585
Increase in Net Assets Without Donor Restrictions	217,698	254,776
Net Assets With Donor Restrictions		
Restricted contributions	50,000	-
Increase in Net Assets With Donor Restrictions	50,000	-
Total Increase in Net Assets	267,698	254,776
Net Assets, Beginning of Year	2,447,300	2,192,524
Net Assets, End of Year	\$ 2,714,998	\$ 2,447,300

FISHER HOUSE IN ST. LOUIS

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Support Services				Total
	Program Services	Management and General	Fundraising	Total Supporting Services	
Transportation	\$ 59,444	-	-	-	\$ 59,444
Outside services	11,501	6,347	32,869	39,216	50,717
Special events	-	-	30,324	30,324	30,324
Hotel rooms	17,117	-	-	-	17,117
Other expenses	5,729	3,030	1,031	4,061	9,790
Professional fees	-	6,713	-	6,713	6,713
Business expenses	1,266	1,392	2,480	3,872	5,138
Insurance	-	2,093	-	2,093	2,093
Total Expenses	\$ 95,057	19,575	66,704	86,279	\$ 181,336
Percentage of Total Expenses	52.4%	10.8%	36.8%	47.6%	100.0%

FISHER HOUSE IN ST. LOUIS

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Support Services				Total
	Program Services	Management and General	Fundraising	Total Supporting Services	
Transportation	\$ 27,653	-	-	-	\$ 27,653
Outside services	8,064	5,771	26,823	32,594	40,658
Special events	-	-	27,335	27,335	27,335
Hotel rooms	25,347	-	-	-	25,347
Other expenses	1,427	2,435	868	3,303	4,730
Professional fees	-	7,500	-	7,500	7,500
Business expenses	1,250	440	1,065	1,505	2,755
Insurance	-	1,607	-	1,607	1,607
Total Expenses	\$ 63,741	17,753	56,091	73,844	\$ 137,585
Percentage of Total Expenses	46.3%	12.9%	40.8%	53.7%	100.0%

FISHER HOUSE IN ST. LOUIS

STATEMENTS OF CASH FLOWS

	<u>Years Ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Increase in net assets	\$ 267,698	\$ 254,776
Unrealized loss on investments	107	776
Adjustments:		
Increase (decrease) in grant receivable	(50,000)	-
Increase (decrease) in accrued expenses	7,966	(20,056)
Net Cash Provided by Operating Activities	225,771	235,496
Cash Flows from Investing Activities		
Net redemptions and purchases of certificates of deposit	(2,475,595)	-
Donated investments	-	(9,636)
Net Cash Used by Investing Activities	(2,475,595)	(9,636)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,249,824)	225,860
Cash and Cash Equivalents, Beginning of Year	2,454,240	2,228,380
Cash and Cash Equivalents, End of Year	\$ 204,416	\$ 2,454,240

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

ORGANIZATION DESCRIPTION

Fisher House in St. Louis (the Organization) was formed as a not-for-profit organization under the laws of the State of Missouri on April 10, 2007. On June 28, 2007, the Organization was granted Federal tax exemption as a public charity under section 501(c)(3) of the Internal Revenue Code.

The Organization was established to provide a home and home-like environment for injured and ill military personnel, veterans, and their families while undergoing treatment and/or rehabilitation at the VA St. Louis Health Care System, including the Jefferson Barracks and John Cochran campuses. Also, the Organization will participate in other support programs as part of the Fisher House Foundation, Inc. (National Foundation) their national umbrella organization. The Fisher House building in St. Louis was completed in 2010 and donated to the United States Government. The home officially opened its doors on September 25, 2010. Primary funding comes from unsolicited individual donations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The financial statements of the Organization are presented on the accrual basis of accounting in accordance with the generally accepted accounting principles.

Estimates

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

Financial Statement Presentation

The Organization reports 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 the Organization. These net assets may be used at the discretion of the Organization'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 the Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There were no donor restrictions perpetual in nature for the years ended December 31, 2023 and 2022.

Donor restricted contributions 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.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers money market accounts, certificates of deposit, and commercial paper with a maturity of three months or less to be cash equivalents.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give cash and other assets are accrued at estimated fair value at the date each promise is received. Gifts are reported as restricted support if they are received with donor-imposed restrictions that limit the use of the donated assets. When a donor-imposed restriction is satisfied, restricted net assets are released and reported as an increase in net assets without donor restrictions. However, if the restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as net assets without donor restrictions.

Revenue and Revenue Recognition

Fisher House in St. Louis receives revenue from grants and contributions. The Organization recognizes revenue when cash securities or other assets, unconditional promises to give or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a right of return or other barrier, are not recognized until the conditions on which they depend have been met. There were no conditional promises to give for the years ended December 31, 2023 and 2022.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. Such allocations are determined by management on an equitable basis. Expenses are allocated based on direct costs.

Income Tax Status

Fisher House in St. Louis is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. As such, the Organization can only be taxed on the income from any business activities unrelated to its charitable purposes.

Financial accounting standards for uncertain tax positions prohibit financial statement recognition of the impact of a tax position if the position is not "more likely than not" to be sustained on audit, based on the technical merits of the position. The Organization's federal Form 990s are subject to examination by the Internal Revenue Service, generally for three years after they were filed. As of November 7, 2024, no returns have been selected for examination.

New Accounting Pronouncement

Effective January 1, 2023, the Organization adopted Accounting Standards Update No. 2016-13 – Financial Instruments – Credit Losses (Topic 326), which replaces the incurred methodology with an expected loss methodology that is referred to as the current expected credit loss (CECL) methodology. The Organization completed its evaluation of the impact of adopting ASU 2016-13 using the modified retrospective approach and it was determined that the new standard did not have a significant impact to the financial statements and an adjustment was not required to the opening net assets balance.

Subsequent Events

The Organization has evaluated subsequent events through November 7, 2024, the date which the financial statements were available to be issued, for possible additional recognition or disclosure.

Notes to Financial Statements (Continued)

NOTE 2 AVAILABILITY AND LIQUIDITY

The Organization's financial assets available within one year of the Statements of Financial Position date for general expenditures are as follows:

	December 31,	
	2023	2022
Financial assets at year end:		
Cash and cash equivalents	\$ 204,416	\$ 2,454,240
Grant receivable	\$ 50,000	\$ -
Investments, at fair value	2,484,348	8,860
Total financial assets	2,738,764	2,463,100
Less amounts not available to be used within one year:		
Net assets with donor restrictions	50,000	-
Less net assets with time and purpose restrictions to be met in less than one year	(50,000)	-
Total amounts not available to be used within one year	-	-
Total financial assets available to meet general expenditures over the next twelve months	\$ 2,738,764	\$ 2,463,100

The Organization is substantially supported by grants and contributions. As part of the Organization's liquidity management, the policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS

Financial accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

The three levels of the fair value hierarchy under the standards are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are significant unobservable inputs.

Notes to Financial Statements (Continued)

NOTE 3 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Securities – Valued at the closing price reported on the New York Stock Exchange.

Mutual Funds – valued at daily closing price reported on the principal active market on which the mutual fund is traded.

Certificate of Deposits – valued at the principal plus accrued interest. The market value of a CD will vary depending on current interest rates, the length of maturity, and other special features of the CD.

The inputs or methodologies used for valuing investments may not be an indication of the risk associated with investing in those securities. Furthermore, management believes its valuation methods are appropriate and consistent. The use of different methodologies or assumptions could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets that are measured at fair value at:

Description	Total	Fair Value Measurements at Reporting Date Using		
		Level 1	Level 2	Level 3
December 31, 2023				
Stock	\$ 1,777	1,777	-	\$ -
Mutual funds	7,571	7,571	-	-
Certificates of deposit	2,475,000	2,475,000	-	-
Total	\$ 2,484,348	2,484,348	-	\$ -
December 31, 2022				
Stock	1,884	1,884	-	-
Mutual funds	6,976	6,976	-	-
Total	\$ 8,860	8,860	-	\$ -

NOTE 4 CONCENTRATIONS OF CREDIT AND MARKET RISK

Financial instruments that potentially subject the Organization to credit and market risk consist principally of cash and cash equivalents.

The Organization maintains cash balances in high credit quality financial institutions in the St. Louis metropolitan area, which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times, balances may exceed coverage limits. Cash balances were fully insured at December 31, 2023. At December 31, 2022, cash balances exceeded FDIC limits by \$313,011.

The Organization also maintained a money market account with a financial institution that is not insured by FDIC but is insured by the Securities Investor Protection Corporation (SIPC) and is insured up to \$500,000. At December 31, 2023 there were no balances exceeding the SIPC limit. At December 31, 2022, the balances exceeded SIPC limits by \$1,374,625, respectively.

FISHER HOUSE IN ST. LOUIS

Notes to Financial Statements (Continued)

NOTE 5 NET ASSETS WITHOUT DONOR RESTRICTIONS

Unrestricted net assets are made up of unsolicited donations received for the operations and maintenance of the home. During the year ended December 31, 2022, the board designated \$2,000,000 for a future housing construction fund. There was no change in the board designated net assets for the year ended December 31, 2023.

NOTE 6 RESTRICTIONS ON NET ASSETS

The Organization received \$50,000 in contributions with donor restrictions which were restricted for time and will be released during 2024.