

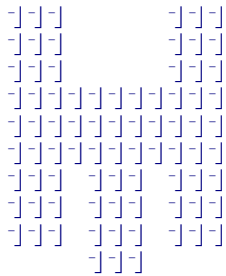
VITA NOVA, INC.

**REPORT ON AUDIT OF
CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended September 30, 2021
*(with comparable totals for 2020)***

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Vita Nova, Inc.
West Palm Beach, Florida

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Vita Nova, Inc. (a not-for-profit corporation), which comprise the consolidated statement of financial position as of September 30, 2021, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Vita Nova, Inc. as of September 30, 2021, and the consolidated 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2022 of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Vita Nova, Inc.'s internal control over financial reporting and compliance.

Other Matters

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules identified in the table of contents and presented on pages 26-27 are presented for the purpose of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and are not a required part of the basic consolidated financial statements. The consolidating statements of financial position and activities on pages 28-29 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Vita Nova, Inc.'s September 30, 2020 consolidated financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated April 19, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Holyfield & Thomas, LLC

West Palm Beach, Florida
April 21, 2022

*As of September 30, 2021**(with comparable totals for 2020)*

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
ASSETS				
Cash and cash equivalents	\$ 600,129	\$ 304,815	\$ 904,944	\$ 1,273,811
Investments	1,000,668	-	1,000,668	-
Grants receivable	139,481	-	139,481	149,613
Other receivable	10,081	-	10,081	3,800
Prepaid expenses	42,132	-	42,132	20,957
Total current assets	1,792,491	304,815	2,097,306	1,448,181
Investments, in endowments	6,061,526	-	6,061,526	5,573,811
Deposits	30,139	-	30,139	23,839
Property and equipment, net	2,818,270	-	2,818,270	3,217,295
Total assets	<u>\$ 10,702,426</u>	<u>\$ 304,815</u>	<u>\$ 11,007,241</u>	<u>\$10,263,126</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 11,520	\$ -	\$ 11,520	\$ 15,305
Accrued expenses	85,223	-	85,223	74,196
Other current liabilities	33,414	-	33,414	35,497
Refundable advance	4,839	-	4,839	3,330
Current portion of note payable	4,727	-	4,727	-
Total current liabilities	139,723	-	139,723	128,328
Note payable	31,540	-	31,540	-
PPP loan payable	-	-	-	210,602
Total liabilities	<u>171,263</u>	<u>-</u>	<u>171,263</u>	<u>338,930</u>
Net assets:				
Without donor restrictions	10,531,163	-	10,531,163	9,459,965
With donor restrictions	-	304,815	304,815	464,231
Total net assets	<u>10,531,163</u>	<u>304,815</u>	<u>10,835,978</u>	<u>9,924,196</u>
Total liabilities and net assets	<u>\$ 10,702,426</u>	<u>\$ 304,815</u>	<u>\$ 11,007,241</u>	<u>\$10,263,126</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended September 30, 2021**(with comparable totals for 2020)*

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Revenues and support:				
Grants:				
Governmental	\$ 1,333,173	\$ -	\$ 1,333,173	\$ 963,688
Foundation	912,389	-	912,389	1,251,926
Contributions	129,498	-	129,498	89,035
Thrift store sales	2,878	-	2,878	79,615
Special events	9,598	-	9,598	132,383
Client service fees	14,357	-	14,357	14,930
In-kind support	5,000	-	5,000	-
Realized and change in unrealized (loss) gain	902,648	-	902,648	267,932
Investment income, net	98,906	-	98,906	133,325
Paycheck Protection Program (PPP)	210,602	-	210,602	-
Total revenues and support	<u>3,619,049</u>	<u>-</u>	<u>3,619,049</u>	<u>2,932,834</u>
Net assets released from restriction	<u>159,416</u>	<u>(159,416)</u>	<u>-</u>	<u>-</u>
Expenses:				
Program services:				
the Spot	1,205,459	-	1,205,459	865,364
Thrift store	66,117	-	66,117	205,413
Village	485,546	-	485,546	563,395
Independent Living	438,394	-	438,394	487,681
Total program services	<u>2,195,516</u>	<u>-</u>	<u>2,195,516</u>	<u>2,121,853</u>
Supporting services:				
Management and general	495,190	-	495,190	268,722
Fundraising	157,795	-	157,795	156,176
Total expenses	<u>2,848,501</u>	<u>-</u>	<u>2,848,501</u>	<u>2,546,751</u>
Gain on disposal of fixed assets	<u>141,234</u>	<u>-</u>	<u>141,234</u>	<u>-</u>
Change in net assets	1,071,198	(159,416)	911,782	386,083
Net assets, beginning of year	<u>9,459,965</u>	<u>464,231</u>	<u>9,924,196</u>	<u>9,538,113</u>
Net assets, end of year	<u><u>\$10,531,163</u></u>	<u><u>\$ 304,815</u></u>	<u><u>\$10,835,978</u></u>	<u><u>\$ 9,924,196</u></u>

See accompanying notes to consolidated financial statements.

*For the Year Ended September 30, 2021**(with comparable totals for 2020)*

	2021	2020
Cash flows from operating activities:		
Cash received from grants	\$ 2,255,694	\$ 2,170,407
Cash received from client service fees	14,357	14,930
Cash received from thrift store sales	2,878	79,615
Cash received from contributions	134,324	220,758
Cash paid to vendors and employees	(2,720,076)	(2,357,392)
Investment income, net	98,906	133,325
Interest paid	(306)	-
Net cash (used in) provided by operating activities	<u>(214,223)</u>	<u>261,643</u>
Cash flows from investing activities:		
Purchase of investments	(1,000,668)	(157,795)
Sales/maturities of investments	414,933	446,705
Redemption of certificate of deposit	-	250,852
Proceeds from sale of thrift store, net	1,140,443	-
Purchase of property and equipment	<u>(708,979)</u>	<u>(297,760)</u>
Net cash (used in) provided by investing activities	<u>(154,271)</u>	<u>242,002</u>
Cash flows from financing activities:		
Proceeds from PPP loan	-	210,602
Payments on vehicle loan	<u>(373)</u>	<u>-</u>
Net cash (used in) provided by financing activities	<u>(373)</u>	<u>210,602</u>
Change in cash and cash equivalents	(368,867)	714,247
Cash and cash equivalents, beginning of year	<u>1,273,811</u>	<u>559,564</u>
Cash and cash equivalents, end of year	<u>\$ 904,944</u>	<u>\$ 1,273,811</u>
Supplemental cash flow information:		
Noncash investing and financing transactions:		
Vehicle acquired with note payable	<u>\$ 41,640</u>	<u>\$ -</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended September 30, 2021**(with comparable totals for 2020)*

	<u>2021</u>	<u>2020</u>
Reconciliation of change in net assets to net cash (used in) provided by operating activities:		
Change in net assets	\$ 911,782	\$ 386,083
Adjustment to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation expense	150,436	151,440
In-kind contribution of capital assets	(5,000)	-
Realized and change in unrealized loss (gain)	(902,648)	(267,932)
Gain on disposal of fixed assets	(141,234)	-
Paycheck Protection Program (PPP)	(210,602)	-
(Increase) decrease in certain assets:		
Grants receivable	10,132	(49,497)
Other receivables	(6,282)	4,290
Prepaid expenses	(21,175)	(13,335)
Deposits	(6,300)	5,315
Increase (decrease) in certain liabilities:		
Accounts payable	(3,785)	1,748
Accrued expenses	11,027	30,148
Other current liabilities	(2,083)	14,043
Refundable advance	1,509	(660)
Net cash (used in) provided by operating activities	<u>\$ (214,223)</u>	<u>\$ 261,643</u>

See accompanying notes to consolidated financial statements.

VITA NOVA, INC.

For the Year Ended September 30, 2021

	Program Services			Independent Living
	the Spot	Thrift Store	Village	
Salary and related costs	\$ 534,868	\$ -	\$ 154,509	\$ 283,078
Payroll taxes	40,248	-	11,565	20,951
Other employment benefits	85,310	561	26,037	41,402
	<u>660,426</u>	<u>561</u>	<u>192,111</u>	<u>345,431</u>
Advertising	6,891	-	970	1,580
Bank charges and merchant fees	218	81	79	1
Computer services	11,678	-	3,067	4,766
Conferences, conventions, and meetings	869	12	825	889
Contract labor	17,673	-	4,649	7,215
Copying and printing	2,424	-	559	880
Dues, books, and subscriptions	2,668	-	41	233
Equipment rental	6,649	5,113	6,193	5,909
Gifts and volunteer appreciation	542	-	737	145
Insurance	27,767	10,661	17,864	8,261
Interest	306			
Miscellaneous	4,120	44	646	261
Office supplies	7,425	51	15,290	1,387
Postage and shipping	436	-	146	284
Professional fees	28,630	2,400	6,663	9,456
Rent	191,671	-	33,478	32,480
Repairs and maintenance	25,872	4,986	26,029	4,555
Resident assistance	153,200	-	13,332	2,782
Special event supplies	-	-	-	-
Staff development	4,026	-	550	537
Storage	1,822	-	2,530	477
Taxes and licenses	650	2,716	4,063	668
Telephone, internet, and television	15,011	3,394	8,329	5,508
Travel	2,113	-	1,373	265
Utilities	17,774	4,629	42,779	4,232
Total expenses before depreciation	<u>1,190,861</u>	<u>34,648</u>	<u>382,303</u>	<u>438,202</u>
Depreciation	<u>14,598</u>	<u>31,469</u>	<u>103,243</u>	<u>192</u>
Total expenses	<u>\$ 1,205,459</u>	<u>\$ 66,117</u>	<u>\$ 485,546</u>	<u>\$ 438,394</u>

See accompanying notes to consolidated financial statements.

**CONSOLIDATED STATEMENT
OF FUNCTIONAL EXPENSES**

(with comparable totals for 2020)

Program Services	Supporting Services		2021	2020
Total	Management and General	Fundraising	Total	Total
\$ 972,455	\$ 370,987	\$ 79,683	\$ 1,423,125	\$ 1,236,604
72,764	27,774	6,113	106,651	92,499
153,310	27,438	9,626	190,374	181,427
1,198,529	426,199	95,422	1,720,150	1,510,530
9,441	828	9,476	19,745	16,882
379	2,802	356	3,537	8,110
19,511	1,593	1,120	22,224	26,341
2,595	2,504	1,581	6,680	9,476
29,537	1,858	1,696	33,091	69,427
3,863	1,419	6,568	11,850	6,195
2,942	688	1,566	5,196	1,590
23,864	8,102	583	32,549	30,593
1,424	2,109	1,624	5,157	2,927
64,553	(2,575)	1,941	63,919	60,743
306			306	-
5,071	613	764	6,448	4,497
24,153	6,574	1,081	31,808	30,609
866	914	511	2,291	2,386
47,149	9,596	12,358	69,103	104,020
257,629	9,094	7,795	274,518	224,775
61,442	119	1,137	62,698	62,317
169,314	2,105	833	172,252	56,765
-	-	6,454	6,454	47,875
5,113	3,624	64	8,801	1,708
4,829	1,324	112	6,265	1,976
8,097	783	30	8,910	4,905
32,242	3,853	1,115	37,210	30,342
3,751	9,097	2,440	15,288	10,234
69,414	1,185	1,016	71,615	70,088
2,046,014	494,408	157,643	2,698,065	2,395,311
149,502	782	152	150,436	151,440
<u>\$ 2,195,516</u>	<u>\$ 495,190</u>	<u>\$ 157,795</u>	<u>\$ 2,848,501</u>	<u>\$ 2,546,751</u>

See accompanying notes to consolidated financial statements.

For the Year Ended September 30, 2021

1. Summary of Significant Accounting Policies*Organization and Purpose*

Vita Nova, Inc. (Vita Nova) was incorporated under the laws of the State of Florida on September 19, 1991 as a not-for-profit corporation for the purpose of owning, operating, and/or providing programs and services to older foster youth in Palm Beach County. These programs and services help lead these young adults to self-sufficiency. Vita Nova operates a resale thrift store; the revenues and support are included on the consolidated statement of activities. In addition, Vita Nova maintains three buildings for the purpose of operating a youth independence program. Vita Nova operates independently and may solicit funds, contributions and gifts of any kind, and accept any gift, device, bequest and property of any kind.

Vita Nova's mission is to help young adults' transition to independence by providing a stable, nurturing environment that includes housing, counseling, and education. To achieve its mission, Vita Nova provides various programs contracted through federal, state, county, and private grants. Vita Nova is committed to being the following:

- A premier provider of quality services related to supporting youth transitioning from foster care to independence.
- Recognized as a leader and partner, connecting and networking with community groups to respond to the needs of its target population.

The State of Florida has laws that govern preparing a youth for aging out of the foster care system. These laws are called independent living services and they exist to help a youth learn the skills and the resources they will need prior to leaving the child welfare system. Vita Nova has been awarded a contract from the lead agency in the State of Florida to coordinate these services for youth and young adults. There are approximately 500 young people from Palm Beach County eligible for these services and Vita Nova's independent services team provides a level of care and preparation to help our young adults learn the skills they need to be successful self-sufficient adults. Brief descriptions of Vita Nova's significant programs are as follows:

- *the Spot* is a drop-in center program for homeless youth, or those at risk of homelessness. It is the first drop-in center of its kind in Palm Beach County, and provides education, employment, vocational and health related resources, as well as access to stable housing for young adults, ages 18-25 years old either formerly from foster care or community youth. This year three new programs were added under the Spot umbrella:
 - *YHDP Diversion* is the Youth Homeless Demonstration Program to provide Diversion services to youth at risk of homelessness funded by US Housing and Urban Development (HUD). The Diversion program serves youth ages 18-24, to specifically reduce the number of youth entering shelter, reduce the length of time youth are homeless and provide supports to stabilize the youth with their current family or supportive adult. Services include intake and assessment, community referrals and linkages, financial support and outreach services.
 - *YHDP TH-RR* is the Demonstration Program to provide Transitional Housing and Rapid Rehousing to homeless youth ages 18-24 also funded by HUD. The program provides youth with transitional housing for up to 90 days to stabilize the youth and work with them to assist in identifying their own apartments, assisting with landlord negotiations and moving into their own apartments under Rapid Rehousing which provides rental and utility assistance up to 18 months.

For the Year Ended September 30, 2021

1. Summary of Significant Accounting Policies, continued

- *ESG-CV* is the Emergency Shelter Grant under the CARES Act for those impacted by COVID funded by Palm Beach County Board of County Commissioners. The program provides short-term and medium-term rental assistance to prevent homelessness to individuals and families earning 50% or less of the Average Median Income in Palm Beach County. The program pays for past due rent and utility payments as well as rental assistance to keep individuals and families stably housed.
- *Vita Nova Thrift Store* was the store front business selling gently used items to help bring more awareness in the community about the challenges related to older foster youth who grow up without healthy families. As of June 2020, the thrift store was closed as it no longer fits into Vita Nova's strategic plan, and the Organization sold the building during the current fiscal year.
- *The Vita Nova Village* is a program to fill many gaps in services related to youth who age out of their foster home, group homes or adoptive placements and have nowhere to turn. This residential program has capacity for 28 young adults ages 18-25 years old; often these youth need a great deal of help becoming stable with the most common tasks and Vita Nova provides a supportive and caring environment for young adults to thrive. Since opening the doors, the Vita Nova Village has served over 300 young adults with a goal to foster successful independent life style for each participant.
- *Vita Nova Independent Living Services* is a program helping older foster youth, ages 18-25, learn living skills leading to independence according to a Florida Statute protecting the rights of older foster youth in Palm Beach County.

Presentation

The accompanying consolidated financial statements reflect the consolidated financial statements of Vita Nova, Inc. (Vita Nova) and Vita Nova Foundation (Foundation), collectively the Organization. The Foundation is formed as a supporting non-profit organization whose main goal is to support Vita Nova's mission. All material inter-organizational transactions and balances have been eliminated in preparing these consolidated financial statements.

Method of Accounting

The consolidated financial statements are prepared under the accrual method of accounting, whereby revenues are recognized when earned and expenses when the corresponding liability is incurred.

Use of Estimates

Management uses estimates and assumptions in preparing the consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Comparable Financial Information

The consolidated financial statements include certain prior-year summarized comparable information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America.

For the Year Ended September 30, 2021

1. Summary of Significant Accounting Policies, continued*Comparable Financial Information, continued*

Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended September 30, 2020, from which the summarized information was derived. Certain 2020 amounts may have been reclassified to conform to 2021 classifications. Such reclassifications would have no effect on the change in net assets as previously reported.

Consolidated Financial Statement Presentation

The Organization's financial statements are presented in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Not-For-Profit Entities, Presentation of Financial Statements*. Under this standard, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: described as follows:

- *Net Assets Without Donor Restrictions*: this classification includes those net assets whose use by the Organization is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transaction (except income and gains on assets that are restricted by donors or by law) are included in the net asset without donor restriction class.
- *Net Assets With Donor Restrictions*: this classification includes those net assets whose use by the Organization has been limited by donors to either a later period of time, after a specified date, or for a specified purpose. Other donor-imposed restrictions are perpetual in nature, where the donor and assets that must be maintained in perpetuity.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, except those balances that are part of the Foundation's investment portfolio. For the Vita Nova investment account, the cash in savings is categorized as cash, and funds in the bank deposit program and money market funds are classified as investments.

Investments

Pursuant to FASB ASC 958-320, *Investments-Debt and Equity Securities*, the Organization's investments are stated at fair value. Investment earnings, realized and unrealized gains and losses, and expenses are included in the change in net assets in the consolidated statement of activities.

Grants Receivable

Grants receivable consists primarily of receivables from various granting organizations. An allowance for uncollectible receivables is based on historical experience, management's knowledge of the individual receivables, and the probability of collection. The Organization considers its grants receivable to be fully collectible and therefore, as of September 30, 2021, no allowance for doubtful accounts is considered necessary.

For the Year Ended September 30, 2021

1. Summary of Significant Accounting Policies, continued

Property and Equipment

Property and equipment are recorded at cost, if purchased, or fair value, if donated, less accumulated depreciation. Depreciation is computed using the straight-line method over useful lives of 5-39 years. Costs of major renewals and improvements, in excess of \$2,000, that extend useful lives are capitalized. Expenditures for routine maintenance and repairs are charged to expense as incurred.

Revenue Recognition

- *Contributions* - The Organization accounts for contributed goods and services, which meet certain criteria, as contributions at their estimated fair value at date of receipt. The Organization reports contributions, including unconditional promises to give, as support without donor restrictions unless they are received with donor stipulations that limit the use of the gift. When a donor restriction expires, that is, a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. However, if the restriction is met in the same period as the restricted income is received, the Organization classifies such income as support without donor restrictions.
- *Grants-Governmental* – Revenue arising from governmental grants under various federal, state, and county programs is recognized when expenditures are made for the purpose specified. These grants generally are on a cost reimbursement basis or fee for service, including recoverable overhead. Grant funds received in advance for program cost reimbursements of the purpose specified are classified as refundable advances.
- *Grants-Foundation* – Revenue arising from foundation grants is generally considered to be contributions and recognized in accordance with the provisions of FASB ASC 958-605.
- *Contributed Services* - Unpaid volunteers have made significant contributions of their time to develop and maintain the Organization's programs. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The amount of such services is recorded in the consolidated financial statements as in-kind support, and as an offsetting expense at the estimated fair market value at the date of receipt.

The Organization receives generous support of volunteers who donate their time in many areas and while deemed important to the Organization, these volunteer services do not formally meet the criteria for recognition.

Functional Expenses

Expenses are reported on a functional basis. Direct expenses of a specific function are charged accordingly. The costs of providing the various programs and other activities have been detailed in the consolidated statement of functional expenses and summarized on a functional basis in the consolidated statement of activities. Certain expenses attributable to program services and supporting services were allocated by management based upon either the number of employees in each department or the relative square footage of facilities used in the activities of the Organization.

For the Year Ended September 30, 2021

1. Summary of Significant Accounting Policies, continued*Advertising Costs*

The Organization expenses the cost of advertising as incurred. Advertising expense was \$19,745 for the year ended September 30, 2021, and is reported in the consolidated statement of functional expenses.

Income Taxes

Vita Nova is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Foundation is a supporting organization and is exempt from income taxes under Section 509(a)(3) of the IRC. Accordingly, there is no liability for income taxes reflected in these financial statements.

The Organization follows FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. This pronouncement seeks to reduce the diversity in practice associated with certain aspects of measurement and recognition in accounting for income taxes. It prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position that an entity takes or expects to take in a tax return. An entity may only recognize or continue to recognize tax positions that meet a “more likely than not” threshold. The Organization assesses its income tax positions based on management’s evaluation of the facts, circumstances, and information available at the reporting date. The Organization uses the prescribed more likely than not threshold when making its assessment. There are currently no open Federal or State tax years under audit.

Recently Adopted Accounting Pronouncements

As of October 1, 2020, the Organization adopted the provisions of FASB ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition.

Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

Future Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This standard replaces existing leasing rules with a comprehensive lease measurement and recognition standard and expanded disclosure requirements. ASU 2016-02 will require lessees to recognize most leases on their statement of financial position as liabilities, with corresponding “right-of-use” assets. ASU 2020-05 extended the effective date of the standard to annual reporting periods in fiscal years that begin after December 15, 2021. Therefore, the standard will be effective for the Organization’s fiscal year beginning October 1, 2022 and ending September 30, 2023.

Management is evaluating the effect that this updated standard will have on the Organization’s future financial statements.

For the Year Ended September 30, 2021**2. Liquidity and Availability of Resources**

Financial assets available for general expenditure within one year of the statement of financial position date that are without donor restrictions or other restrictions limiting their use comprise the following:

Cash and cash equivalents	\$ 904,944
Investments – Vita Nova	1,000,668
Grants and other receivables	149,562
Less cash restricted for capital improvements	<u>(112,315)</u>
Financial assets available to meet general Expenditures over the next 12 months	<u>\$ 1,942,859</u>

The Organization is substantially supported by grants from governmental agencies and foundations, as well as other contributions without and with donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Some of the Organization's net assets with donor restrictions are available for general expenditure within one year of September 30, 2021 because the restrictions on the net assets are expected to be met by conducting the normal program activities of the Organization in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year.

Furthermore, as explained earlier in these notes, these financial statements are consolidated with the Vita Nova Foundation, which is a supporting organization of Vita Nova, Inc. The Foundation typically provides an annual contribution to Vita Nova on an as needed basis and as approved by the Foundation's Board. The consolidating statement of activities reflects the elimination of the income from the supporting organization of \$580,338. Also, the Foundation holds a significant amount of investments to provide continued support to Vita Nova. As of September 30, 2021, the Foundation's investment balance is \$6,061,526 as noted on the consolidating statement of financial position.

3. Property and Equipment

Property and equipment as of September 30, 2021, consisted of the following:

Land	\$ 388,624
Building and improvements	2,973,869
Furniture, fixtures, and equipment	284,091
Vehicles	<u>78,198</u>
	3,724,782
Less accumulated depreciation	1,162,317
Construction in progress	<u>255,805</u>
	<u>\$ 2,818,270</u>

Depreciation expense for the year ended September 30, 2021 was \$150,436. Vita Nova began a renovation project of the The Vita Nova Village residential site in the prior year. Buildings 1 and 2 were complete during the current fiscal year, at of the end of February 2021. Construction in progress is for the final Building 3 of the Villages. The renovation of Building 3 was not complete as of September 30, 2021, and therefore depreciation expense was not taken on these assets as of year-end.

For the Year Ended September 30, 2021

4. Fair Value Measurements

FASB ASC 820-10, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value and 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 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the fair value hierarchy under FASB ASC 820-10 are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

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 unobservable and significant to the fair value measurement.

The asset's 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.

Fair Value of Financial instruments: The following methods and assumptions were used by the Organization in estimating fair value of financial instruments that are not disclosed under ASC 820.

Cash and cash equivalents – The carrying amount reported approximates fair value.

Grants, and other receivables – The carrying amount reported approximates fair value due to the short-term duration of the instruments.

Accounts payable, accrued expenses, other current liabilities, and refundable advance – The carrying amount reported approximates fair value due to the short-term duration of the instruments.

Items Measured at Fair Value on a Recurring Basis: The following methods and assumptions were used by the Organization in estimating fair value of financial instruments that are measured at fair value on a recurring basis under ASC 820. There has been no change in the methodologies used as of September 30, 2021.

Investments – Cash equivalents held in investment accounts, exchange traded product funds, equity funds, fixed income funds, mutual funds – Valued by the custodian as determined from the quoted market prices, if available, of a national securities exchange on the last business day of the fiscal year, with the exception of cash equivalents and certificates of deposit as their carrying amount approximates fair value due to their short-term liquidity.

For the Year Ended September 30, 2021**4. Fair Value Measurements, continued**

As of September 30, 2021, major categories of investments, all measured at Level 1, consisted of the following:

<u>Description</u>	<u>Fair Value</u>	<u>Historical Cost</u>	<u>Unrealized Gain (Loss)</u>
Investments:			
Cash equivalents	\$ 1,160,082	\$ 1,160,082	\$ -
Fixed income securities	189,962	187,353	2,609
Mutual funds	2,619,209	1,930,721	688,488
Exchange traded funds	1,482,709	988,446	494,263
Equity securities	<u>1,610,232</u>	<u>1,055,745</u>	<u>554,487</u>
Total investments	<u>\$ 7,062,194</u>	<u>\$ 5,322,347</u>	<u>\$ 1,739,847</u>

Investment management fees of approximately \$29,600 were paid during the year and directly reduce investment income. These fees are part of investment income, net, in the consolidated statement of activities.

Investments:	
Vita Nova	\$ 1,000,668
Foundation	<u>6,061,526</u>
Total investments	<u>\$ 7,062,194</u>

5. Net Assets

The assets with donor restrictions are restricted for the following purposes as of September 30, 2021:

Village capital projects	\$ 112,315
the Spot expenses	187,500
Future events	<u>5,000</u>
	<u>\$ 304,815</u>

6. Concentrations***Cash***

The Organization maintains accounts at institutions insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of September 30, 2021, cash exceeded federal insurance limits by approximately \$1,500,000.

Revenue Support and Grants Receivable

During the year ended September 30, 2021, approximately \$476,000 (13%) of the Organization's support was from ChildNet. The balance due from ChildNet was approximately \$39,704 (28%) of grants receivable as of September 30, 2021.

7. PPP Loan Payable

On April 16, 2020, the Organization received loan proceeds of \$210,602 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES ACT), provides for loans to qualifying businesses for an amount up to 2.5 times of the average monthly payroll expenses of the qualifying business.

For the Year Ended September 30, 2021**7. PPP Loan Payable, continued**

These loans, originally scheduled to have a 2-year term with deferred payments of principal and interest beginning 10 months after the end of the covered period, are forgivable, including accrued interest, as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. On June 5, 2020, the PPP Flexibility Act extended the covered period during which forgivable costs must be accumulated from eight weeks to 24 weeks. The Organization used the loan proceeds for purposes consistent with the PPP in order to meet the conditions for full forgiveness of the loan. On March 9, 2021 the Organization received forgiveness of their loan, and recognized the income in their consolidated statement of activities.

8. Note Payable

Vita Nova has a note payable to a financing institution, secured by a vehicle. The note requires monthly payments of principal and interest starting in September 2021, and matures seven years later in August 2027. The annual percentage rate for the note is 10.03%.

Annual principal payments on the note payable for the years ending September 30, are as follows:

2022	\$ 4,727
2023	5,225
2024	5,772
2025	6,380
2026	7,052
Thereafter	<u>7,111</u>
	36,267
Less current portion	<u>4,727</u>
Note payable	<u>\$ 31,540</u>

9. Commitments and Contingencies*Grants*

Grants require the fulfillment of certain conditions as set forth in the grant agreements and are subject to audit and adjustment by grantor agencies. Failure by the Organization to comply with the terms of the grants, including disallowance of costs, could result in a liability. The Organization expects the amounts of such liability, if any, to be immaterial.

Leases

The Organization occupies its administration office space and the Spot drop-in center in West Palm Beach, subject to a lease that commenced on February 1, 2018. This lease requires monthly payments of approximately \$10,500, and expires January 31, 2023. In addition, the Organization leases office equipment under non-cancelable leases, requiring monthly payments of approximately \$2,600, with the latest lease expiring in 2025. Furthermore, commencing in fiscal year 2018, the Organization leases three houses on an annual basis for its LGBT Homeless Housing program for a total monthly payment of approximately \$5,000. Beginning in the 2020 fiscal year, the Organization leases two temporary locations while the Villages Buildings 1 and 2 were being remodeled, which extends into the current year as Building 3 is being remodeled. As of October 1, 2020, Vita Nova added an additional location as part of a new Federally funded Youth Homeless Demonstration program to serve homeless youth. In September 2021 Vita Nova added an additional location for new programs. These commitments are also included in the following schedule.

For the Year Ended September 30, 2021

9. Commitments and Contingencies, continued*Leases, continued*

Total rent expense under all operating leases was \$307,067 for the year ended September 30, 2021, including line items shown for rent and equipment rental on the consolidated statement of functional expenses of \$274,518 and \$32,549, respectively.

Approximate future minimum rental payments under non-cancelable operating leases for each year under lease are:

2022	\$ 241,760
2023	58,337
2024	10,797
2025	<u>10,797</u>
	<u>\$ 321,691</u>

10. Retirement Plan

The Organization maintains the Vita Nova, Inc. 401(k) Plan (the "Plan"), a 401(k) defined contribution plan covering all eligible employees of the Organization. An employee may elect to defer up to 90% of compensation as a contribution to the Plan as per the Plan agreement. Previously, matching contributions were discretionary, and there were no matching contributions in the prior year. However, as of February 1, 2021, the Plan was amended to institute a match of 50% of deferrals up to the first 6% of the participant's compensation. For the year ended September 30, 2021 there were \$3,768 of employer matching contributions, which are included in other employee benefits in the consolidated statement of functional expenses.

11. Endowment

The Organization's endowment consists of investment funds created to provide ongoing financial support to Vita Nova and are held within the Foundation. The endowment is board designated by the Foundation to be held for a specific purpose or in perpetuity and earnings on the endowment are without donor restrictions.

FASB ASC 958, *Not-for-Profit Entities*, provides guidance on the net asset classification of endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and improves disclosures about an organization's endowment funds (both donor-restricted endowment funds and Board-designated endowment funds), whether or not the organization is subject to UPMIFA.

The State of Florida adopted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA), which became effective July 1, 2012, and provides a) consistent investment and spending standards to all forms of charitable funds, b) strengthens the concept of prudent investing, c) abandons historic dollar value as a floor for expenditures and provides more flexibility to the organization in making decisions about whether to expend any portion of an endowment fund, and d) provides a process for the release or modification of restrictions on a gift instrument.

The adoption by the Foundation of the provisions of the law does not have a significant change in its management and investment policies of endowment.

For the Year Ended September 30, 2021

11. Endowment, continued

As a result of this standard, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Currently there are no net assets with donor restrictions in the endowment.

The Foundation has adopted conservative investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Under this policy, the endowment assets are invested in a manner that is intended to produce results while assuming a moderate level of investment risk.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total-return-based distribution strategy, meaning that it will fund distributions from net investment income, net realized capital gains and proceeds from the sale of investments. The distribution of portfolio's assets will be permitted to the extent that such distributions do not exceed a level that would erode the portfolio's real assets over time. The Foundation utilizes the services of a financial advisor who provides input into the investment strategy policy. Furthermore, the Board of Directors of the Foundation will review its investment and spending policies on an annual basis for possible revision.

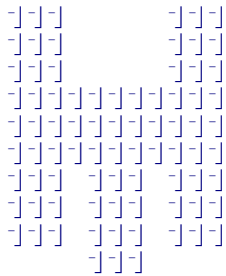
The Foundation's annual appropriations, if any, are determined at the discretion of the Foundation's Board of Directors unless specific instructions are provided by future endowment donors.

The changes in endowment net assets for the year ended September 30, 2021 are as follows:

Endowment net assets, beginning	\$ 5,573,811
Contributions	-
Investment return:	
Investment income	128,310
Investment expenses	(29,623)
Other administration expenses	(950)
Net unrealized gains/(losses)	902,648
Appropriation for expenditure	(580,338)
Intercompany payable elimination	<u>67,668</u>
Endowment net assets, ending	<u>\$ 6,061,526</u>

12. Subsequent Events

Vita Nova's management has evaluated subsequent events through April 21 2022, the date on which the consolidated financial statements were available to be issued, and determined there were no events required to be disclosed in these financial statements.



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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

To the Board of Directors of
Vita Nova, Inc.
West Palm Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Vita Nova, Inc., which comprise the consolidated statement of financial position as of September 30, 2021, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated April 21, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Vita Nova, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Vita Nova, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Vita Nova, Inc.'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 may exist that have not been identified.

Compliance and Other Matters

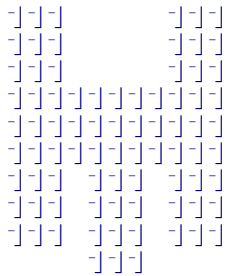
As part of obtaining reasonable assurance about whether Vita Nova, Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Holyfield & Thomas, LLC

West Palm Beach, Florida
April 21, 2022



Holyfield & Thomas, LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Vita Nova, Inc.
West Palm, Florida

Report on Compliance for Each Major Federal Program

We have audited Vita Nova, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Vita Nova, Inc.'s major federal programs for the year ended September 30, 2021. Vita Nova, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Vita Nova, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Vita Nova, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Vita Nova, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Vita Nova, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of Vita Nova, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Vita Nova, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Vita Nova, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Holyfield & Thomas, LLC

West Palm Beach, Florida
April 21, 2022

For the Year Ended September 30, 2021

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Type of auditor’s report issued on compliance on major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Major programs:

Federal Grantor	U.S. Department of Health and Human Services
CFDA Number	93.674
Name of Federal Program or Cluster	John H. Chafee Foster Care Program for Successful Transition to Adulthood

Dollar Threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as a low-risk auditee?	No

For the Year Ended September 30, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS

No findings are reported.

SECTION III – FINDINGS AND QUESTIONED COSTS

Major Federal Programs – No findings or questioned costs are reported.

CORRECTIVE ACTION PLAN

There is no corrective action plan required, as there are no findings or questioned costs reported for the year ended September 30, 2021, with respect to federal awards.

PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS

Federal Programs – There were no audit findings or questioned costs for the year ended September 30, 2020, relative to federal awards, requiring action on the part of the auditee as the Organization was not subject to Single Audit in the prior year.

MANAGEMENT LETTER

There are no comments for the fiscal year ended September 30, 2021.

SUPPLEMENTARY INFORMATION

For the Year Ended September 30, 2021

Federal Grantor Pass-through Entity Federal Program Title	CFDA Number / Award Number	Federal Expenditures
U.S. Department of Health and Human Services		
Passed through from the Florida Department of Children and Families, via ChildNet, Inc.:		
	93.674	
John H. Chafee Foster Care Program for Successful Transition to Adulthood	VIT20EFC VIT21EFC	\$ 357,340 119,113
	93.550	
Passed through Agency for Children & Families: Transitional Living for Homeless Youth	90CX7126-04	194,344
		<u>670,797</u>
Total Department of Health and Human Services		
U.S. Department of Housing and Urban Development:		
	14.267	
Continuum of Care Program, YHDP TH RR	FL0841Y4D051800	143,486
Continuum of Care Program, YHDP TH RR	FL0841Y4D051899	110,060
Continuum of Care Program, YHDP Diversion	FL0840Y4D051800	46,895
Continuum of Care Program, YHDP Diversion	FL0840Y4D051899	26,374
	14.218	
Passed through from State of Florida, via Palm Beach County: Community Development Block Grants/Entitlements Grants	R2020-1471	12,197
	14.231	
Emergency Solutions Grant Program	R2021-1001	<u>66,942</u>
		<u>405,954</u>
Total Department of Housing and Urban Development		
U.S. Department of Homeland Security:		
	97.024	
Emergency Food and Shelter National Board Program	EFSP CARES Phase 38	12,500 <u>10,500</u>
		<u>23,000</u>
Total Department of Homeland Security		
		1,099,751
Total expenditures of federal awards		
		<u>233,422</u>
Other government grants		
		<u>\$ 1,333,173</u>

See independent auditor's report.

For the Year Ended September 30, 2021

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Vita Nova, Inc. under programs of the federal government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Vita Nova, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Vita Nova, Inc.

2. Summary of Significant Accounting Policies

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

3. Indirect Cost Rate

Vita Nova, Inc. has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

See independent auditor's report.

As of September 30, 2021

	Vita Nova	Foundation	Eliminations	Consolidated
ASSETS				
Cash and cash equivalents	\$ 904,944	\$ -	\$ -	\$ 904,944
Investments	1,000,668	-	-	1,000,668
Grants receivable	139,481	-	-	139,481
Other receivables	77,749	-	(67,668)	10,081
Prepaid expenses	42,132	-	-	42,132
Total current assets	2,164,974	-	(67,668)	2,097,306
Investments, in endowments	-	6,061,526	-	6,061,526
Deposits	30,139	-	-	30,139
Property and equipment, net	2,818,270	-	-	2,818,270
Total assets	<u>\$ 5,013,383</u>	<u>\$ 6,061,526</u>	<u>\$ (67,668)</u>	<u>\$ 11,007,241</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 11,520	67,668	(67,668)	\$ 11,520
Accrued expenses	85,223	-	-	85,223
Other current liabilities	33,414	-	-	33,414
Refundable advance	4,839	-	-	4,839
Current portion of long term debt	4,727	-	-	4,727
Total current liabilities	139,723	67,668	(67,668)	139,723
Long-term debt	31,540	-	-	31,540
Total liabilities	<u>171,263</u>	<u>67,668</u>	<u>(67,668)</u>	<u>171,263</u>
Net assets:				
Without donor restrictions	4,537,305	5,993,858	-	10,531,163
With donor restrictions	304,815	-	-	304,815
Total net assets	<u>4,842,120</u>	<u>5,993,858</u>	<u>-</u>	<u>10,835,978</u>
Total liabilities and net assets	<u>\$ 5,013,383</u>	<u>\$ 6,061,526</u>	<u>\$ (67,668)</u>	<u>\$ 11,007,241</u>

See independent auditor's report.

For the Year Ended September 30, 2021

	<u>Vita Nova</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
Revenues and support:				
Grants:				
Governmental	\$ 1,333,173	\$ -	\$ -	\$ 1,333,173
Foundation	912,389	-	-	912,389
Contributions	129,498	-	-	129,498
Thrift store sales	2,878	-	-	2,878
Special events	9,598	-	-	9,598
Client service fees	14,357	-	-	14,357
In-kind support	5,000	-	-	5,000
Income from supporting organization	580,338	-	(580,338)	-
Realized and change in unrealized gain (loss)	-	902,648	-	902,648
Investment income, net	219	98,687	-	98,906
Paycheck Protection Program (PPP)	210,602	-	-	210,602
Total revenues and support	<u>3,198,052</u>	<u>1,001,335</u>	<u>(580,338)</u>	<u>3,619,049</u>
Expenses:				
Program services:				
Oasis/the Spot	1,205,459	-	-	1,205,459
Thrift store	66,117	-	-	66,117
Village	485,546	-	-	485,546
Independent Living	438,394	-	-	438,394
Other	-	580,338	(580,338)	-
Total program services	<u>2,195,516</u>	<u>580,338</u>	<u>(580,338)</u>	<u>2,195,516</u>
Supporting services:				
Management and general	494,240	950	-	495,190
Fundraising	157,795	-	-	157,795
Total expenses	<u>2,847,551</u>	<u>581,288</u>	<u>(580,338)</u>	<u>2,848,501</u>
Gain on disposal of fixed assets	<u>141,234</u>	<u>-</u>	<u>-</u>	<u>141,234</u>
Change in net assets	491,735	420,047	-	911,782
Net assets, beginning of year	<u>4,350,385</u>	<u>5,573,811</u>	<u>-</u>	<u>9,924,196</u>
Net assets, end of year	<u>\$ 4,842,120</u>	<u>\$ 5,993,858</u>	<u>\$ -</u>	<u>\$ 10,835,978</u>

See independent auditor's report.