### Cheryl Rohlfs & Associates, Ltd.

Certified Public Accountants

### **GROWING HOME, INC.**

FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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## INDEPENDENT AUDITOR'S REPORT

June 16, 2025

To the Board of Directors of Growing Home, Inc.

#### **Opinion**

We have audited the accompanying financial statements of Growing Home, Inc. (an Illinois nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position as of December 31, 2024 and 2023 and the changes in its net assets and its cash flows of Growing Home, Inc. for the years then ended, in conformity 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. 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 Growing Home, Inc. 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.

#### Responsibility of Management for the Financial Statements

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

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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 Growing Home, Inc.'s ability to continue as a going concern within on year after the date that financial statements are available to be issued

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 Growing Home, Inc.'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 Growing Home, Inc.'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 of timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

CHERYL ROHLFS & ASSOCIATES, LTD.

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Northbrook, Illinois

### GROWING HOME, INC. STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2024 AND 2023

ASSETS	2024	2023
TAGGETS		
Current Assets: Cash and Cash Equivalents Accounts Receivable Unconditional Promises to Give Prepaid Expenses	\$ 4,563,998 256,110 171,432 81,369	\$ 3,800,783 12,633 344,052 98,726
Total Current Assets	5,072,909	4,256,194
Long-Term Assets: Property and Equipment, Net of Accumulated Depreciation  Total Assets	3,018,935 \$ 8,091,844	2,092,625 \$ 6,348,819
Total Assets	φ 6,021,044	φ 0,540,017
LIABILITIES AND NET ASSET	CS .	
Current Liabilities: Current Maturities of Long-Term Debt Accounts Payable Accrued Expenses Deferred Revenues Total Current Liabilities	\$ 6,496 94,560 60,801 10,000 171,857	\$ 16,010 119,706 48,753 6,750 191,219
Long-Term Liabilities: Long-Term Debt, less unamortized loan costs of \$4,067 and \$2,204 in 2023  Total Liabilities	<u>408,443</u> \$ 580,300	<u>415,888</u> \$ 607,107
Net Assets: Without Donor Restrictions: Undesignated Board Designated	4,531,612 1,500,000 6,031,612	3,231,642 1,190,398 4,422,040
With Donor Restrictions	1,479,932	1,319,672
Total Net Assets	7,511,544	5,741,712
<b>Total Liabilities and Net Assets</b>	\$ 8,091,844	\$ 6,348,819

# GROWING HOME, INC. STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

DEVENUE CADICAND OTHER CURRORT	<u>Do</u>	Without nor Restrictions	With Donor Restrictions			2024 Total
REVENUE, GAINS AND OTHER SUPPORT	Φ.	716100	ф	0.066.070	ф	
Grants	\$	516,100	\$	2,366,858	\$	2,882,958
Government Grants		803,240		=		803,240
Contributions		341,101		-		341,101
Gifts In-Kind		58,400				58,400
Special Events		272,209		-		272,209
Farm Sales		87,975		-		87,975
Miscellaneous Income		750		*		750
Interest Income		113,173		-		113,173
<b>Total Revenues and Gains</b>		2,192,948		2,366,858		4,559,806
Net Assets Released From Restrictions:						
Satisfied by Payments		2,206,598		(2,206,598)		_
Total Revenues, Gains and						
Other Support	\$	4,399,546	\$	160,260	\$	4,559,806
EXPENSES						
Program Services	\$	1,986,058	\$	-	\$	1,986,058
Supporting Services:						
Management and General		384,295		-		384,295
Fundraising Expenses		419,621		_		419,621
<b>Total Expenses</b>	\$	2,789,974	\$	-	\$	2,789,974
CHANGE IN NET ASSETS	\$	1,609,572	\$	160,260	\$	1,769,832
NET ASSETS AT BEGINNING OF YEAR	\$	4,422,040	\$	1,319,672	\$	5,741,712
NET ASSETS AT END OF YEAR	\$	6,031,612	\$	1,479,932	\$	7,511,544

# GROWING HOME, INC. STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (CONTINUED)

REVENUE, GAINS AND OTHER SUPPORT	Do	Without nor Restrictions	Do	With nor Restrictions		2023 Total
Grants	\$	385,350	\$	2,565,301	\$	2,950,651
Government Grants	Φ	567,906	Φ	2,303,301	Φ	567,906
Contributions		329,657		-		329,657
Gifts In-Kind		104,162		-		104,162
Special Events		305,825		-		305,825
Farm Sales		80,828		-		80,828
Miscellaneous Income		208		-		208
Interest Income				=		
Total Revenues and Gains		87,632		2.565.201		87,632
Total Revenues and Gains		1,861,568		2,565,301		4,426,869
Net Assets Released From Restrictions:						
Satisfied by Payments		1,955,151		(1,955,151)		-
Total Revenues, Gains and		and the same of th				
Other Support	\$	3,816,719	\$	610,150	\$	4,426,869
• •						
EXPENSES						
Program Services	\$	1,860,758	\$	=	\$	1,860,758
Supporting Services:		- 22				-,
Management and General		386,763		_		386,763
Fundraising Expenses		318,637		_		318,637
Total Expenses	\$	2,566,158	\$	_	\$	2,566,158
					-	
CHANGE IN NET ASSETS	\$	1,250,561	\$	610,150	\$	1,860,711
NET ASSETS AT BEGINNING OF YEAR	\$	3,171,479	\$	709,522	\$	3,881,001
					•	
NET ASSETS AT END OF YEAR	\$	4,422,040	\$	1,319,672	\$	5,741,712

# GROWING HOME, INC. STATEMENTS OF FUNCTIONAL EXPENSES FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

		Supporting Services				
	Program	M	anagement			2024
	Services	aı	nd General	F	undraising	Total
Compensation and Related Expenses:						
Compensation	\$ 761,279	\$	221,513	\$	140,467	\$ 1,123,259
Employee Benefits	100,340		38,154		27,468	165,962
Payroll Taxes	66,198		19,262		12,214	97,674
	\$ 927,817	\$	278,929	\$	180,149	\$ 1,386,895
Duo duoti on Assistants	560.004					
Production Assistants	562,284		-		-	562,284
IT Trainees	31,513		180		-	31,693
Alumni Engagement	13,921		-		-	13,921
Contract Services and Consulting	22,766		16,076		78,427	117,269
Contributed Services	38,904		11,942		7,554	58,400
Community Events	6,144		337		-	6,481
Equipment	51,089		2,966		3,029	57,084
Fees and Licenses	4,065		26		-	4,091
Membership Dues and Subscriptions	3,564		1,685		1,310	6,559
Information Technology	831		5,186		9,058	15,075
Insurance	18,823		3,269		1,718	23,810
Interest Expense	28,271		75		-	28,346
Professional Fees	56,603		23,288		18,807	98,698
Public Relations	27,018		4,623		6,609	38,250
Rent	5,981		1,632		1,987	9,600
Repairs and Maintenance	23,411		5,289		6,440	35,140
Security	10,955		2,986		3,638	17,579
Supplies	37,219		4,499		2,804	44,522
Travel and Meetings	8,495		5,143		590	14,228
Utilities	17,102		7,102		6,169	30,373
Special Events and Fundraising	200		_		88,270	88,470
Bank and Credit Card Fees	2,934		6,718		3,062	12,714
Miscellaneous Expenses	574		-		_	574
Total Expenses Before Depreciation	\$ 	\$	381,951	\$	419,621	\$ 2,702,056
Depreciation and Amortization	 85,574	( <u> </u>	2,344		=	87,918
TOTAL EXPENSES	\$ 1,986,058	\$	384,295	\$	419,621	\$ 2,789,974

# GROWING HOME, INC. STATEMENTS OF FUNCTIONAL EXPENSES FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (CONTINUED)

	Supporting Services							
		Program	M	anagement				2023
		Services	ar	nd General	F	undraising		Total
Compensation and Related Expenses:								
Compensation	\$	772,860	\$	168,518	\$	114,304	\$	1,055,682
Employee Benefits		101,070		22,793		20,079		143,942
Payroll Taxes		59,124		12,892		8,744	15	80,760
	\$	933,054	\$	204,203	\$	143,127	\$	1,280,384
Production Assistants		493,624		-		-		493,624
Intern Stipends		8,800		<del>-</del>		-		8,800
Alumni Engagement		11,305		-		-		11,305
Contract Services and Consulting		32,044		17,608		27,512		77,164
Contributed Services		_		104,163		_		104,163
Community Events		565		_		-		565
Equipment		48,062		4,685		2,822		55,569
Fees and Licenses		4,102		314		-		4,416
Membership Dues and Subscriptions		3,617		419		1,415		5,451
Information Technology		1,029		2,035		3,935		6,999
Insurance		13,739		3,133		1,230		18,102
Interest Expense		28,753				-		28,753
Professional Fees		69,320		15,688		16,924		101,932
Public Relations		13,613		3,098		16,752		33,463
Rent		6,916		995		1,689		9,600
Repairs and Maintenance		24,813		3,878		5,611		34,302
Security		15,307		2,070		3,507		20,884
Supplies		39,598		6,977		5,240		51,815
Travel and Meetings		9,067		5,151		-		14,218
Utilities		20,113		5,717		7,287		33,117
Special Events and Fundraising		-		-		77,084		77,084
Bank and Credit Card Fees		2,612		5,551		4,502		12,665
Miscellaneous Expenses		490		1,078		_		1,568
Total Expenses Before Depreciation	\$	1,780,543	\$	386,763	\$	318,637	\$	2,485,943
Depreciation and Amortization		80,215	-					80,215
TOTAL EXPENSES	\$	1,860,758	\$	386,763	\$	318,637	\$	2,566,158

# GROWING HOME, INC. STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

TOR THE TERMS ENDED DECEMBER 01, 2	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in Net Assets	\$ 1,769,832	\$ 1,859,753
Adjustment to Reconcile Change in Net Assets to Net Cash		-,,
Provided by Operating Activities:		
Depreciation and Amortization	87,918	80,215
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(243,477)	13,099
Unconditional Promises to Give	172,620	(324,052)
Prepaid Expenses	17,357	(10,961)
Increase (Decrease) in Operating Liabilities:	21,000	(,)
Accounts Payable	(25,146)	83,706
Accrued Expenses	12,048	(8,295)
Deferred Revenues	3,250	6,750
NET CASH PROVIDED BY OPERATING		
ACTIVITIES	\$ 1,794,402	\$ 1,700,215
	4	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Property and Equipment	\$ (267,090)	\$ (38,022)
Increase of Construction in Progress	(744,794)	(716,606)
NET CASH USED IN INVESTING ACTIVITIES	\$ (1,011,884)	\$ (754,628)
		,
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on Notes Payable	(15,096)	(15,087)
Reduction for Debt Insurance Costs	(4,207)	-
NET CASH USED IN FINANCING ACTIVITIES		\$ (15,087)
	,	,
NET INCREASE IN CASH AND CASH		
EQUIVALENTS	\$ 763,215	\$ 930,500
	, , , , , , , , , , , , , , , , , , , ,	
CASH AND CASH EQUIVALENTS, BEGINNING		
OF YEAR	3,800,783	2,870,283
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 4,563,998	\$ 3,800,783
Supplementary Information:		
Cash Paid During the Year for Interest	\$ 28,346	\$ 28,753

# GROWING HOME, INC. NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

#### 1. NATURE OF THE ORGANIZATION

Growing Home, Inc. (Organization) is incorporated as an Illinois not-for-profit corporation and is located in Chicago, Illinois. Growing Home, Inc. is committed to building a more equitable Chicago by breaking cycles of poverty and unemployment through workforce training, employment support, and food access. The Organization empowers individuals facing employment barriers by equipping them with the skills, resources, and confidence needed to secure stable, long-term jobs. At the same time, the Organization works to improve community health by expanding access to fresh, nutritious food in Greater Englewood. Through the Organization's holistic approach, Growing Home, Inc. aims to cultivate self-sufficient individuals and foster a thriving, food-secure community.

Since 2006, Growing Home, Inc. has focused its efforts on Chicago's South Side, particularly in Greater Englewood. The Organization's USDA-certified organic farm serves as the backbone of the employment training program and a critical source of fresh produce, generating over 40,000+ pounds of vegetables and herbs annually.

Growing Home, Inc., believes farming is more than just agriculture—it's a transformative tool for teaching transferable job skills, providing therapeutic experiences, and fostering personal growth and connection. To date, the Organization has empowered over 1,068 individuals with the tools to achieve long-term self-sufficiency.

In 2024, Growing Home, Inc. saw profound success, enrolling 148 participants in its Transitional Job Training program and the Information Technology Program. Growing Home's Transitional Job program is a 12 week paid training program with ongoing support for up to a year and beyond. The program supports individuals facing extreme barriers to employment, helping them gain the skills and confidence needed to secure and sustain stable jobs. In response to the evolving workforce landscape, the stipend-based Certified IT Training Program enrolled 51 individuals seeking to enhance their career opportunities, equipping them with valuable technical skills and credentials to enter the growing IT industry. Students now have the opportunity to earn certifications from Cisco and CompTIA, including Cisco IT-Essentials, CompTia A+, CompTia Network+, and CompTia Security+.

In 2024, 114 participants received one or more certifications including ServSafe, Roots of Success Environmental Specialist, GED and Forklift certification, as well as obtaining a CDL, CompTia A+, CompTia Network+, and CompTia Security+. Participants also completed TIP (Transforming Impossible to Possible) training, created professional cover letters and resumes, attended professional elevator pitch networking workshops, job fairs and mock interviews in preparation for the workforce. Growing Home, Inc. also provided support to individuals who are justice involved, as reflected in the following statistics - 21 participants either with completed parole or reported having their criminal records sealed or expunged after receiving assistance from Legal Aid Chicago. Lastly, the Organization's outcomes show at the end of the year, 56 (and counting) individuals were placed in full time employment. Each one of the participants received wrap-around services and intensive case management in order to address ongoing barriers.

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The Organization's Farms and Food Access programs provided affordable, healthy food and nutrition education to the neighbors in Englewood. Growing Home, Inc. grew 61 different crops and 113 unique varieties on their farms to serve the community's diverse needs.

Driven by the Organization's mission to support the Englewood community and promote healthy eating, Growing Home, Inc. sells all produce at affordable prices through the weekly Wood Street Farm Stand and other local markets. The Organization actively encourages the use of SNAP and Senior Coupons, helping shoppers stretch their food dollars and maximize their access to fresh, nutritious food. As a community-based organization, the Organization proudly distributes 84% of their produce within Greater Englewood. In 2024 alone, Growing Home, Inc. shared 161,645 individual servings of farm-grown produce throughout the season.

Beyond food distribution, Growing Home. Inc. reached over 21,318 individuals through their cooking demonstrations, farm tours, community events, and outreach efforts. The Organization remains committed to offering engaging and accessible ways for participants and customers to integrate healthy, nutritious choices into their daily lives.

Lastly, it is essential for Growing Home, Inc. to maintain a strong contribution donor base. Government contracts account for 18% of public support revenues, with key partners including the City of Chicago Department of Family and Support Services, the Justice Advisory Council – Cook County, the Illinois Department of Corrections, and Cook County, Illinois. Foundations and corporations contribute 66% of public support revenues, while individual contributions make up 7%. Additionally, special events account for approximately 6% of public support revenues, supporting the Organization's ongoing efforts to fulfill their mission and expand their impact. In 2024, the Organization received \$1,424,000 to support its Wood Street Campus Expansion Capital Project.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Presentation**

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

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The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

#### **Basis of Accounting**

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

#### Cash and Cash Equivalents

The Organization considers cash in checking, savings and money market accounts to be cash and cash equivalents.

#### Revenue and Revenue Recognition

The Organization recognizes revenue as it satisfies a performance obligation by transferring control over a product or a service to a customer. Revenue is measured at the transaction price, which is based on the amount of consideration that the Organization expects to receive in exchange for transferring the promised good or service to the customer. Program payments received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

A portion of the Organization's revenue is derived from contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contact or grant provisions.

Contributions are recognized at a point in time when cash or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

#### Estimates

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

#### **Accounts Receivable**

The Organization uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of receivables at year-end is consistent with historical conditions as credit terms and practices and the client base has not changed significantly. At December 31, 2024 and 2023, there were no required balances in the allowance for doubtful accounts.

#### **Property and Equipment**

It is the Organization's policy to capitalize property and equipment more than \$1,000. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Donations for property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Property and equipment are depreciated using the straight-line method over the useful lives of the assets as follows:

Buildings	39 years
<b>Building Improvements</b>	10-39 years
Land Improvements	15 years
Equipment	5-10 years
Office Equipment	3-5 years
Vehicles	5 years

#### **Income Taxes**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Organization files U.S. federal and Illinois state information returns. The federal and state informational tax returns for tax years 2022, 2023, and 2024 can be subject to examinations by tax authorities, generally for three years from the date of filing.

#### **Expense Allocations**

The costs of providing program and supporting services have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. Accordingly, costs have been allocated between the program services and the supporting services in a direct functional method, when applicable, and on the basis of proportional use of the service provided.

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#### **Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals possessing those skills, and would typically need to be purchased by the Organization. Donated services are recorded at their fair values in the year received.

#### 3. CHANGES IN ACCOUNTING PRINCIPLES

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

The Organization adopted the standard effective January 1, 2023. The impact of the adoption was considered immaterial to the financial statements and primarily resulted in enhanced disclosures only.

In September 2020, the Financial Accounting Standards Board (FASB) issued <u>Accounting Standards Update No. 2020-07</u>, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets.* The Update increases transparency around contributed nonfinancial assets (also known as "gifts-in-kind") received by not-for-profit organizations, including transparency on how those assets are used and how they are valued. The Update is effective for nonprofit organizations for annual reporting periods beginning after June 15, 2021.

#### 4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2024	2023
Land	\$ 576,698	\$ 374,311
Buildings	563,328	563,327
Building Improvements	88,625	88,625
Land Improvements	701,388	701,388
Equipment	57,006	40,367
Office Equipment	2,580	2,580
Vehicles	176,846	128,781
Construction in Progress	1,527,110	<u>782,317</u>
	3,693,581	2,681,697
Less Accumulated Depreciation	(674,646)	(589,072)
Total Property and Equipment	\$ 3,018,935	\$ 2,092,625

2022

## 5. CONCENTRATION OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS

Bank accounts at financial institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of December 31, 2024 and 2023, the Organization's uninsured cash balances at one financial institution totaled \$4,126,463 and \$3,363,576, respectively.

#### 6. LINE OF CREDIT AGREEMENT

The line of credit was renewed on June 28, 2021 for \$200,000 and will continue in effect until all outstanding loans have been paid in full or until the parties agree in writing to terminate the agreement. The interest rate is a variable rate based on the bank's prime rate plus 1.5%. The line of credit was unused in 2024 and 2023. The line of credit is secured by the Organization's property and assets granted as collateral security for the loan.

#### 7. LONG-TERM DEBT

Long-Term Debt consisted of a note payable dated November 21, 2019 for \$490,000 payable to Chicago Community Loan Fund for a term of five years starting January 2020. The monthly payments of principal and interest were \$3,836, with interest at 6.5%, The note payable is secured by defined property and improvements.

The initial maturity date was extended in December 2024 for a sixty-month period with monthly payments of principal and interest of \$3,181 to December 1, 2029. The note payable allows for one more sixty-month extension at the lender's discretion. A balloon payment is due of the remaining principal and accrued interest balance at the end of the extension period.

Total Note Payable	\$	2024 419,006	\$	2023 434,102
Less: Current Maturities of Long-Term Debt Less: Unamortized Debt Issuance Costs	<u>_</u>	(6,496) (4,067)	<u>_</u>	(16,010) (2,204)
Total Long-Term Debt	\$	408,443	\$	415,888

Future maturities of the long-term debt are as follows:

Year Ended December 31	Amount
2025	\$ 6,496
2026	7,014
2027	7,566
2028	8,074
2029	8,858
Thereafter	380,998
Total	\$ 419,006

#### 8. GIFTS IN KIND

The Organization received donated services of \$58,400 and \$104,162 recorded at their fair values during the years ended December 31, 2024 and 2023, respectively. The donated services were recorded as Gifts In-Kind and contributed service expense on the Statement of Activities.

#### 9. NET ASSETS WITH DONOR RESTRICTIONS

Net Assets with Donor Restrictions consisted of:

	2024	2023
Time Restriction for 2025	\$ 25,000	\$ -
Time Restriction for 2024	_	675,150
Discretionary Fund	7,491	7,491
Landscaping for Wood Street Farm	12,031	12,031
Wood Street Capital Project	1,125,206	450,000
Church Building Acquisition	5,000	5,000
Employment Training	305,204	15,000
Workforce Development	-	50,000
Pick up Truck and Food Buggy	-	55,000
Participant Expenses		50,000
Total	\$ 1,479 932	\$ 1,319,672

#### 10. LEASE COMMITMENT

The Organization entered into a shared space agreement with Imagine Englewood for office space and other facilities for the one year term to July 31, 2023. The lease was renewed for one-year terms to July 31, 2024 and again to July 31, 2025. The monthly usage fee is \$800. Growing Home, Inc. shall manage the community garden under the terms of the agreement. This agreement may be terminated at any time upon the mutual, written consent of both parties. Rent expense was \$9,600 for the years ended December 31, 2024 and 2023.

#### 11. CONVEYANCE OF LAND FROM THE CITY OF CHICAGO

In September 2017, the City of Chicago's Community Development Commission recommended the conveyance of a parcel of land for an amount of \$1 to Growing Home, Inc. to expand its urban farm operations, documented in a resolution by the Community Development Commission to the City's Department of Planning and Development. The City Council of Chicago approved this conveyance of the interest in the real property on December 13, 2017. Growing Home, Inc. can solely use the property as an urban agricultural and job transition center and for not-for-profit ancillary and accessory uses, unless an alternative use is approved in writing at the sole discretion of the City's Department of Planning and Development.

The property is located in the 63<sup>rd</sup> Street/Ashland Redevelopment Project Area in the City of Chicago. The covenant shall terminate 10 years from the conveyance of the property, unless the Commissioner of the Department of Planning and Development releases the covenant upon the request of Growing Home, Inc. before that date.

The conveyance of the property was finalized on June 11, 2018, when the City of Chicago sold the parcel for \$1. Prior to the conveyance of the property, the City of Chicago incurred and donated \$367,155 of land improvements to clear and prepare the property for the Organization. The fair value of the land and related costs were recorded at \$41,432.

#### 12. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following are Growing Home, Inc.'s financial assets as of the date of the statement of financial position, reduced by amounts not available for general use within one year:

Financial Assets at year-end:	2024	2023
Cash and Cash Equivalents	\$ 4,563,998	\$ 3,800,783
Accounts Receivable	256,110	12,633
Unconditional Promise to Give	171,432	344,052
Total Financial Assets	\$4,991,540	\$ 4,157,468
Less: amount not available to be used within one year		
Net Assets with donor restrictions	(1,479,932)	(1,319,672)
Board Designated Net Assets		(1,190,398)
Financial Assets available to meet general expenditure	es	
over the next twelve months	\$ 2,011,608	\$ 1,647,398

Growing Home, Inc. regularly monitors the availability of resources required to meet its operating needs and commitments. In addition to the financial assets available to meet general expenditures and other obligations over the next twelve months, the Organization has a strong contributor base composed of various foundations, corporations, government contracts and individuals that contribute annually, including over forty grant-makers and nearly six hundred individuals. These annual commitments are created with relationship building and shown commitment to the Organization's programs by the staff, management, board, participants and donors. Growing Home, Inc. operates with a balanced budget each year.

Growing Home, Inc. maintains a line of credit to help mitigate cash fluctuations associated with the seasonal nature of the Urban Farm and Employment Training programs. The Organization maintains sufficient financial assets to provide reasonable assurance that all commitments will continue to be met, ensuring the sustainability of the Organization.

#### 13. EVALUATION OF SUBSEQUENT EVENTS

Management has reviewed and evaluated subsequent events through June 16, 2025, the date which the financial statements were available to be issued.