



(A Not-for-Profit Organization)

Annual Financial Report
Year ended March 31, 2013

Prepared By:

Lauka Associates | CERTIFIED PUBLIC ACCOUNTANTS

Our House of Portland (A Not-For-Profit Organization)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Our House of Portland
Portland, Oregon

We have audited the accompanying statement of financial position of Our House of Portland (a not-for-profit organization) as of March 31, 2013, and the related statement of activity, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. The prior year summarized comparative information has been derived from Our House of Portland's March 31, 2012 financial statements and in our report, dated July 17, 2012, we expressed an unqualified opinion on those financial statements.

Management's Responsibility 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; 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 financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Our House of Portland as of March 31, 2013, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Lauka Associates

Portland, Oregon
July 1, 2013

Our House of Portland (A Not-for-Profit Organization)

Statement of Financial Position
 March 31, 2013, with comparative totals for 2012

(See Accompanying Notes and Accountant's Audit Report)

	2013			2012
	Unrestricted	Temporarily Restricted	Total	Total
Current Assets				
Cash	\$ 37,779	\$ 2,963	\$ 40,742	\$ 113,227
Operating reserves	962,029	-	962,029	903,662
Receivables, net	62,792	-	62,792	105,794
Pledges receivable, net	59,167	-	59,167	56,271
Grants & deferred revenue receivable	-	153,045	153,045	339,125
Other current assets and prepaids	23,353	-	23,353	15,241
	<u>1,145,120</u>	<u>156,008</u>	<u>1,301,128</u>	<u>1,533,320</u>
Property and Equipment				
Net of accumulated depreciation	2,752,835	-	2,752,835	2,852,689
Other Assets				
Deferred grants receivable	-	-	-	141,302
	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,302</u>
Total assets	\$ 3,897,955	\$ 156,008	\$ 4,053,963	\$ 4,527,311
Current Liabilities				
Accounts payable	\$ 33,685	\$ -	\$ 33,685	\$ 21,220
Accrued payroll and payroll liabilities	103,827	-	103,827	100,544
Deferred revenue	2,450	153,045	155,495	339,125
Other current liabilities	75,000	-	75,000	-
	<u>214,962</u>	<u>153,045</u>	<u>368,007</u>	<u>460,889</u>
Long Term Liabilities				
Deferred grant revenue	-	-	-	141,302
	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,302</u>
Net Assets				
Unrestricted	3,682,993	-	3,682,993	3,923,475
Temporarily restricted	-	2,963	2,963	1,645
	<u>3,682,993</u>	<u>2,963</u>	<u>3,685,956</u>	<u>3,925,120</u>
Total liabilities and net assets	\$ 3,897,955	\$ 156,008	\$ 4,053,963	\$ 4,527,311

Our House of Portland (A Not-for-Profit Organization)

Statement of Activity

For the year ended March 31, 2013, with comparative totals for 2012

(See Accompanying Notes and Accountant's Audit Report)

	2013			2012
	Unrestricted	Temporarily Restricted	Total	Total
Operating Revenues from Continuing Operations				
Our House net resident service revenue	\$ 1,022,765		\$ 1,022,765	\$ 1,081,301
Neighborhood Housing & Care Program	162,911		162,911	171,593
Swan House net resident service revenue				214,137
Other revenue	22,462		22,462	19,299
	<u>1,208,138</u>	<u>-</u>	<u>1,208,138</u>	<u>1,486,330</u>
Operating Expenses from Continuing Operations				
Our House resident care	1,474,754		1,474,754	1,472,066
Neighborhood Housing & Care expenses	264,311		264,311	296,311
Community Services	165,184		165,184	155,118
Swan House resident care				284,037
Administrative	312,738		312,738	290,806
	<u>2,216,987</u>	<u>-</u>	<u>2,216,987</u>	<u>2,498,338</u>
Deficit from continuing operations	(1,008,849)	-	(1,008,849)	(1,012,008)
Discontinued Operations				
Swan House net resident service revenue	127,712		127,712	-
Swan House resident care expenses	207,089		207,089	-
Deficit from discontinued operations	(79,377)	-	(79,377)	-
Nonoperating Income and (Expenses)				
Contributions, grants & events	1,192,082	2,180	1,194,262	1,180,242
Fundraising expenses	(403,569)		(403,569)	(380,835)
Net assets released from restriction	862	(862)	-	-
Loss on disposal of assets	(1,307)		(1,307)	(2,601)
Investment income	59,676		59,676	23,286
	<u>847,744</u>	<u>1,318</u>	<u>849,062</u>	<u>820,092</u>
Change in net assets	(240,482)	1,318	(239,164)	(191,916)
Net Assets, Beginning	3,923,475	1,645	3,925,120	4,117,036
Net Assets, Ending	\$ 3,682,993	\$ 2,963	\$ 3,685,956	\$ 3,925,120

Our House of Portland (A Not-for-Profit Organization)

Statement of Functional Expenses

For the year ended March 31, 2013, with comparative totals for 2012

(See Accompanying Notes and Accountant's Audit Report)

	Program Services			Supporting Services		Continuing Operations	Discontinued Operations	2013	2012
	Neighborhood			Admini- strative	Fund- raising	Total	Swan House	Total	Total
	Our House Resident Care	Housing & Care	Community Services				Adult Foster Care		
Compensation									
Nursing and related services	\$ 627,687	\$ 59,814				\$ 687,501	\$ 125,442	\$ 812,943	\$ 840,835
Social worker & Occup. Therapy	151,162	86,597				237,759	10,876	248,635	262,484
Housekeeping	26,511					26,511	702	27,213	28,330
Kitchen manager	29,631					29,631		29,631	30,737
Volunteer program	70,712					70,712		70,712	68,828
Executive Director	46,597			7,766	23,299	77,662		77,662	77,801
Administrative	-	14,142		175,577		189,719	481	190,200	183,694
Community Service	-		29,809			29,809		29,809	28,538
Development	-				140,515	140,515		140,515	136,287
Temporary Nursing	13,975					13,975		13,975	9,953
Payroll taxes & workers comp	105,120	19,337	3,096	19,887	17,046	164,486	15,888	180,374	181,510
Employee benefits, training & recog	109,236	12,465	5,521	20,666	17,714	165,602	16,418	182,020	190,490
Advertising for staff	464					464		464	165
Total compensation	1,181,095	192,355	38,426	223,896	198,574	1,834,346	169,807	2,004,153	2,039,652
Payroll fees	-			5,892		5,892		5,892	5,942
Audit and accounting fees	-	1,320	600	9,180		11,100	1,200	12,300	11,900
Bad debts	4,500					4,500	124	4,624	323
Business consultants	34,000		9,249			43,249		43,249	46,645
Clinical consultants	513	1,470				1,983		1,983	8,215
Communications	18,412	3,747	1,837	4,603		28,599	2,711	31,310	31,505
Credit card fees	-				4,633	4,633		4,633	1,497
Depreciation	86,300	1,090	195	21,575		109,160	643	109,803	112,654
Direct mail, marketing, donor cultivation	1,038				23,345	24,383		24,383	24,600
Dues and subscriptions	-		100	2,597		2,697	150	2,847	2,150
Event expenses	-				148,716	148,716		148,716	141,197
Groceries	23,998		32,041			56,039	8,370	64,409	36,837
Insurance	15,202	2,843	2,453	3,800		24,298	1,605	25,903	21,958
Leases	-		69,432	3,543		72,975	11,937	84,912	69,923
Maintenance	21,374		26	5,344		26,744	247	26,991	34,611
Medical supplies	26,531					26,531	58	26,589	34,713
Other expenses	-	3,610	1,898	13,178		18,686	666	19,352	11,440
Postage	-			1,388	953	2,341	18	2,359	2,777
Program expenses	444	13,040	8,576			22,060	24	22,084	34,587
Publications and cable tv	4,954					4,954	865	5,819	5,511
Occupational therapy & Quality of living	6,329	1,364				7,693	968	8,661	9,516
Rental assistance	-	43,235				43,235		43,235	51,873
Security system	2,120			530		2,650	337	2,987	1,848
Storage unit rental	-			3,420		3,420		3,420	3,420
Supplies	11,686	237	351	2,921	5,748	20,943	2,025	22,968	23,880
Utilities	34,067			8,517		42,584	5,334	47,918	48,626
Volunteer program	2,191					2,191		2,191	2,406
Grant-writing	-				21,600	21,600		21,600	21,600
Interest	-			2,354		2,354		2,354	-
	293,659	71,956	126,758	88,842	204,995	786,210	37,282	823,492	802,154
Total expenses	\$ 1,474,754	\$ 264,311	\$ 165,184	\$ 312,738	\$ 403,569	\$ 2,620,556	\$ 207,089	\$ 2,827,645	\$ 2,841,806

Our House of Portland (A Not-for-Profit Organization)

Statement of Cash Flows

For the year ended March 31, 2013, with comparative totals for 2012

(See Accompanying Notes and Accountant's Audit Report)

	2013			2012
	Unrestricted	Temporarily Restricted	Total	Total
Cash Flows Related to Operating Activities				
Change in net assets	\$ (240,482)	\$ 1,318	\$ (239,164)	\$ (191,916)
Adjustments to reconcile the change in net assets to cash provided (used) by operating activities:				
Depreciation	109,803		109,803	112,654
Loss on disposal of assets	1,307		1,307	2,601
Receivables	43,002		43,002	30,958
Deferred grants	2,450		2,450	3,000
Pledges receivable	(2,896)		(2,896)	(48,209)
Other assets	(8,112)		(8,112)	5,715
Accounts payable	12,465		12,465	9,005
Accrued liabilities and deposits	3,283		3,283	(61,378)
Net cash provided (used) by operating activities	(79,180)	1,318	(77,862)	(137,570)
Cash Flows Related to Financing Activities				
Proceeds from line of credit borrowings	272,770		272,770	-
Payments on line of credit	(197,770)		(197,770)	-
Net cash provided (used) by financing activities	75,000	-	75,000	(3,815)
Cash Flows Related to Investing Activities				
Purchase/reinvestment of investments	(58,367)	-	(58,367)	79,098
Purchase of equipment	(11,257)		(11,257)	(16,655)
Net cash provided (used) by investing activities	(69,624)	-	(69,624)	62,443
Change in cash	(73,803)	1,318	(72,485)	(78,942)
Cash, Beginning	111,582	1,645	113,227	192,169
Cash, Ending	\$ 37,779	\$ 2,963	\$ 40,742	\$ 113,227
Noncash Activity				
Donated supplies & services expensed			\$ 110,819	\$ 177,272
Donated value of lease for Community Service Program			69,432	59,106
Interest Paid			\$ 2,354	\$ 21

Our House of Portland, *(A Not-For-Profit Organization)*

Notes to Financial Statements

March 31, 2013

NOTE - 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Our House

Our House of Portland (Our House) was established in 1988 as a non-profit residential care facility located in Portland, Oregon, providing facility-based 24-hour nursing care for up to fourteen individuals in the advanced stages of AIDS.

Swan House (discontinued effective January 1, 2013)

Swan House is a large 6-bedroom home located in Milwaukie, Oregon and serves five adult low-income persons living with AIDS who need on-site supportive services for moderate physical and/or mental health challenges. Our House transferred management and operations of Swan House to Swan House, LLC effective January 1, 2013. Swan House is no longer owned or operated by Our House and all income and expenses are now reported by the LLC.

Neighborhood Housing & Care (NHCP)

The Neighborhood Housing and Care Program (NHCP) combines stable housing with in-home medical, occupational therapy and social work services for individuals in the community living with AIDS who can establish themselves in a more independent setting.

Community Services

The Community Services consists of **Tod's Corner** and **Esther's Pantry** which provide financially challenged individuals living with HIV/AIDS access to food, personal care items, clothing, and pet supplies.

Revenues

The primary sources of revenues from all of the Our House programs consist of contributions, grants, and payments for community based care.

Comparative financial information and expense allocation

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended March 31, 2012, from which the summarized information was derived.

Our House of Portland, (A Not-For-Profit Organization)

Notes to Financial Statements

March 31, 2013

NOTE - 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Functional allocation of expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include general checking account funds and cash on hand.

Income taxes

The Organization is a non-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income pursuant to Section 501(a)(1) of the Code. In addition, the Organization qualifies for the charitable contribution deduction under 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). Management believes it is in compliance with the Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for income taxes. U.S. GAAP requires management to evaluate tax positions taken and recognize a tax liability (or asset) if uncertain positions have been taken that more likely than not would not be sustained upon examination by taxing authorities. Our House is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

In-kind donations and expenses

The Organization receives donations of supplies, medical supplies, printing and other costs that Our House would otherwise purchase. The value of these products is recorded as in-kind contribution revenue and expensed in the financial statements. The value of donated leased property used for the Community Service Program is recorded at fair market value as lease expense.

Our House of Portland, (A Not-For-Profit Organization)

Notes to Financial Statements

March 31, 2013

NOTE - 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Contributed services

Under generally accepted accounting principles (GAAP), if contributed services create or enhance non-financial assets, or require specialized skills that are performed by people with those skills, and would otherwise be purchased, those services would be recognized as contributions. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, fundraising, and various committee assignments that are not recorded in the financial statements. The Organization receives approximately 20,453 volunteer hours per year. Of these hours, 9,600 are required for daily operations and include services for the cook/dietician, maintenance, medical director, support staff, and receptionists. Management estimates the value of the operational services is about \$219,643.

Contributions and pledges

Contributions and pledges are recognized when the donor makes a written promise to give that is, in substance, unconditional. Contributions that are restricted by the donor either by purpose and/or time are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as a release from restriction.

Investments and investment income

Investments including operating reserves with readily determinable market values are stated at fair market value. Realized and unrealized gains are reported in the statement of activity when recognized. Since no restrictions exist on investment income, all income and gains or losses are recorded as non-operating unrestricted activity.

Property and equipment

Acquisitions of property and equipment in excess of \$500 and expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation.

Depreciation is computed using primarily the straight-line method with the following class lives:

Buildings	39 years
Furniture and equipment	3-7 years

Our House of Portland, (A Not-For-Profit Organization)

Notes to Financial Statements
March 31, 2013

NOTE - 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Receivables and Allowance for Doubtful Accounts

Accounts and pledges receivable are stated at cost and do not accrue interest on past due amounts over 30 days. An allowance for doubtful accounts is accrued for the portion of resident receivables over 90 days old. Receivables are charged off as uncollectible after management has made reasonable collection efforts. As of March 31, 2013, there was no accrual for the allowance. An allowance for uncollectible pledges has not been recorded in the financial statements as management estimates that most pledges are collectable and the un-collectable amount is immaterial.

NOTE - 2 STATE OF OREGON CONTRACTS

Our House has a personal/professional services contract with the State of Oregon to provide reimbursement for specialized residential care facility services. The current contract period expires June 30, 2014. A service payment is paid for each eligible resident, per month, less any resident income available to apply to the cost. The rates are determined by the State of Oregon and payments are subject to the provisions of ORS 293.462 and shall not exceed the total maximum sum of \$2,114,784 for the period July 1, 2012 – June 30, 2014. Net resident service revenue for the year ending March 31, 2013, includes \$913,302 of state funding.

Swan House has a personal/professional services contract with the State of Oregon to maintain a valid Adult Foster Care Home. The current contract period is for June 1, 2012 –May 31, 2014. A service payment is paid for each eligible resident, per month, less any resident income available to apply to the cost. The rates are determined by the State of Oregon for each client and payments are subject to the provision of ORS 293.462 and shall exceed the total maximum sum of \$412,320. Net resident service revenue for the year ending March 31, 2013, includes \$147,799 of state funding.

Effective January 1, 2013, Our House has a Memorandum of Agreement with Shad Alexander dba Swan House, LLC to transfer the payments received from DHS for the Swan House State of Oregon contract to Shad Alexander dba Swan House LLC for the duration of the state contract or until the licensing can be transferred.

NOTE - 3 PLEDGES RECEIVABLE

Unconditional pledges receivable due in more than one year are required to be reflected at the present value of estimated future cash flows using a discount rate. However, the discounts on amounts due in one to five years are considered immaterial. The pledges are stated at the value expected to be received.

Amounts due in:

Less than one year	\$ 59,167
One to five years	-
	<u>\$ 59,167</u>

Our House of Portland, (A Not-For-Profit Organization)

Notes to Financial Statements
March 31, 2013

NOTE - 4 OPERATING RESERVES AND FAIR VALUE

In accordance with generally accepted accounting principles, Our House uses the following prioritized input levels to measure fair value. The input levels used for valuing investments are not necessarily an indication of risk.

Level 1 – Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes;

Level 2 – Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves or other market data;

Level 3 – Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts.

The following is a summary of the fair values of investments, which are measured on a recurring basis using Level 1 inputs, at March 31; 2013;

Equities	\$ 294,230
Fixed Income	534,629
Money market instruments	133,170
	<u>\$ 962,029</u>

The investment income for the year consisted of the following activity:

Realized/Unrealized investment losses	\$ 43,980
Interest and dividends	24,245
Investment fees	(8,549)
Net Investment Income	<u>\$ 59,676</u>

Market Risk

Our House invests in a professionally managed portfolio of primarily mutual funds. Such investments are exposed to market and credit risks. Therefore, Our House investments may be subject to significant fluctuations in fair value. As a result, the investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

Our House of Portland, *(A Not-For-Profit Organization)*

Notes to Financial Statements
March 31, 2013

NOTE - 5 PROPERTY AND EQUIPMENT

Property and equipment at March 31, 2013, consisted of the following:

Automobiles	\$ 45,165
Furniture and fixtures	109,323
Equipment	129,958
Building and improvements	2,969,813
Land	257,346
	<hr/>
	3,511,605
Accumulated depreciation	(758,770)
	<hr/>
	<u>\$ 2,752,835</u>

NOTE - 6 LINE OF CREDIT

Our House has a variable rate revolving line of credit available effective October 11, 2012, for up to \$500,000 maturing on October 10, 2013. The loan is collateralized by personal property, equipment, inventory and receivables. The interest rate is equal to the Wall Street Journal Prime Rate and minimum payments are due monthly. There was \$272,770 borrowed and \$197,770 repaid during the year. As of March 31, 2013 there was \$75,000 due on the line which is categorized as "Other current liabilities" on the Statement of Financial Position.

NOTE - 7 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at March 31, 2013, were available for the following purposes:

Quilt projects	\$ 782
Garden project	2,181
	<hr/>
	<u>\$ 2,963</u>

Our House of Portland, (A Not-For-Profit Organization)

Notes to Financial Statements
March 31, 2013

NOTE - 8 CONCENTRATIONS

Receivables

Our House is located in Portland, Oregon. The facility grants credit without collateral to its residents, most of who are local residents and are insured under third-party payor agreements or meet the Medicaid eligibility criteria.

The composition of trade and pledges receivables and net resident service revenue at March 31, 2013, was as follows:

	Receivable Amount	Trade & Pledges Receivables	Net Resident Service Revenue
State of Oregon	\$ 53,949	44%	89%
Other	68,010	56%	11%
	<u>\$ 121,959</u>	<u>100%</u>	<u>100%</u>

Cash

Our House maintains two bank accounts at two institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for the interest bearing account. Cash at this institution may occasionally during the year exceed federally insured limits. The non-interest bearing account is fully insured.

Source of Revenue

Three donor/grantors each exceeded 1% of total revenue and combined accounted for 15% of total revenues for the year ended March 31, 2013.

NOTE - 9 DEFERRED REVENUE

HUD grants are considered exchange transactions and accordingly are not recorded as income in the financial statements until services are performed and costs incurred. Certain other multi-year grants are restricted by time commitments. Multi-year grants are recorded as receivables when pledged, but the income is deferred until earned. Deferred revenue consisted of the following activity for the year ended March 31, 2013:

Prepaid Event Revenue	\$ 2,450
HUD Renewal Grant	153,045
Total Deferred Revenue	<u>\$ 155,495</u>
Current	\$ 155,495
Long-Term	\$ -

Our House of Portland, *(A Not-For-Profit Organization)*

Notes to Financial Statements

March 31, 2013

NOTE - 10 COMMITMENTS AND CONTINGENCIES

Federal Programs

Federal grants received by Our House during the current and previous years since 2005 including, but not limited to, HUD, Oregon Housing and Community Services, and the City of Portland, Oregon, have ongoing monthly and/or annual reporting requirements, tenant income eligibility requirements, and period of use restrictions on the building. These requirements are primarily determined by the U.S. Department of Housing and Urban Development (HUD) and the Portland Development Commission (PDC) and are subject to federal regulation and any Handbooks HUD may issue governing the HOPWA or other federal programs.

A three year HUD/HOPWA grant was awarded for \$1,016,934 for the period 9/1/2010 – 8/31/2013. A total of \$327,382 was received for the renewal grant in the current fiscal year. Subsequently, the HUD/HOPWA grant was renewed for the period of 9/1/2013-8/31/16 for \$1,050,849.

NOTE 11 – EMPLOYEE BENEFIT PLAN

Our House has a 403(b) tax sheltered plan which covers essentially all employees. Contributions to the plan are discretionary. No contributions were made by Our House during the fiscal years ended March 31, 2013 and 2012.

NOTE - 12 MANAGEMENT REVIEW AND EVALUATION OF SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 1, 2013, which is the date the financial statements were available to be issued. This review and evaluation revealed no new material event or transaction which would require an additional adjustment to or disclosure in the accompanying financial statements.