

**BARRIER FREE LIVING HOLDING, INC.  
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2015 AND 2014**

BARRIER FREE LIVING HOLDING, INC.  
AND SUBSIDIARIES

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors  
Barrier Free Living Holding, Inc.  
and Subsidiaries

**Report on the Financial Statements**

We have audited the accompanying consolidated statements of financial position of Barrier Free Living Holding, Inc. and Subsidiaries at June 30, 2015 and 2014, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

**Management's Responsibility for the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 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 financial position of Barrier Free Living Holding, Inc. and Subsidiaries at June 30, 2015 and 2014, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2015 and 2014 supplementary consolidating statements of financial position, consolidating statements of activities, and consolidating statements of functional expenses, 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 audits 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.

*Grassi & Co., CPAs, P.C.*

GRASSI & CO., CPAs, P.C.

New York, New York  
December 29, 2015

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2015 AND 2014

ASSETS

2015

2014

CURRENT ASSETS:

Cash and cash equivalents	\$ 990,803	\$ 1,500,136
Contracts and grants receivable	1,952,332	626,039
Prepaid expenses	60,287	25,198
Other assets	19,031	24,278

Total Current Assets	<u>3,022,453</u>	<u>2,175,651</u>
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DEFERRED CHARGE	<u>3,542,181</u>	<u>3,244,643</u>
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PROPERTY AND EQUIPMENT, NET	<u>5,085,350</u>	<u>5,367,534</u>
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TOTAL ASSETS	<u>\$ 11,649,984</u>	<u>\$ 10,787,828</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable and accrued expenses	\$ 583,771	\$ 144,854
Accrued salary and vacation payable	363,528	311,829
Advances from government agencies	426,277	135,266

Total Current Liabilities	1,373,576	591,949
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NOTES PAYABLE	<u>8,326,039</u>	<u>8,326,039</u>
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Total Liabilities	<u>9,699,615</u>	<u>8,917,988</u>
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COMMITMENTS AND CONTINGENCIES

NET ASSETS:

Unrestricted - board designated	970,628	881,968
Unrestricted - operating	979,741	987,872

Total Net Assets - Unrestricted	<u>1,950,369</u>	<u>1,869,840</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 11,649,984</u>	<u>\$ 10,787,828</u>
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The accompanying notes are an integral part of these consolidated financial statements.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
REVENUES:		
Government contracts and grants	\$ 6,346,174	\$ 5,418,060
In-kind contributions	1,100,695	944,884
Contributions	32,733	27,196
Interest	2,860	2,465
Miscellaneous	1,625	46,530
	<hr/>	<hr/>
Total Revenues	7,484,087	6,439,135
	<hr/>	<hr/>
EXPENSES:		
Program services	6,686,388	5,626,884
Management and general	717,170	765,214
	<hr/>	<hr/>
Total Expenses	7,403,558	6,392,098
	<hr/>	<hr/>
CHANGE IN UNRESTRICTED NET ASSETS	80,529	47,037
NET ASSETS, BEGINNING OF YEAR	<hr/> 1,869,840	<hr/> 1,822,803
NET ASSETS, END OF YEAR	<hr/> <u>\$ 1,950,369</u>	<hr/> <u>\$ 1,869,840</u>

The accompanying notes are an integral part of these consolidated financial statements.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015			2014		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and wages	\$ 2,694,999	\$ 502,749	\$ 3,197,748	\$ 2,516,138	\$ 456,546	\$ 2,972,684
Employee benefits	410,637	91,622	502,259	410,230	101,022	511,252
Payroll taxes	382,247	24,159	406,406	342,592	39,549	382,141
In-kind contributions: home care services, social work, occupational therapy, food and supplies	1,100,695	-	1,100,695	944,885	-	944,885
Consultants and professional fees	473,025	30,380	503,405	276,553	75,959	352,512
Depreciation and amortization	301,408	-	301,408	298,785	-	298,785
Repairs and maintenance	613,653	-	613,653	215,326	4,283	219,609
Office supplies	159,198	27,654	186,852	127,122	32,094	159,216
Utilities	149,627	-	149,627	153,892	-	153,892
Rent	12,282	-	12,282	-	-	-
Insurance	116,350	15,993	132,343	115,163	24,153	139,316
Program supplies	42,042	150	42,192	51,115	-	51,115
Telephone	74,683	7,167	81,850	47,943	7,393	55,336
Food	50,827	1,187	52,014	55,415	-	55,415
Transportation	49,471	6,092	55,563	36,827	7,238	44,065
Residents'/children's activities	34,981	-	34,981	20,052	-	20,052
Miscellaneous	3,985	8,495	12,480	2,275	16,451	18,726
Residence expenses	16,278	-	16,278	12,571	-	12,571
Bank charges and fees	-	1,522	1,522	-	526	526
<b>Total Expenses</b>	<b>\$ 6,686,388</b>	<b>\$ 717,170</b>	<b>\$ 7,403,558</b>	<b>\$ 5,626,884</b>	<b>\$ 765,214</b>	<b>\$ 6,392,098</b>

The accompanying notes are an integral part of these consolidated financial statements.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 80,529	\$ 47,037
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	301,408	298,785
Deferred charge	(297,538)	(333,041)
Changes in assets (increase) decrease:		
Contracts and grants receivable	(1,326,293)	83,462
Prepaid expenses	(35,089)	17,541
Other assets	5,247	(23,778)
Changes in liabilities increase (decrease):		
Accounts payable and accrued expenses	438,917	9,669
Accrued salary and vacation payable	51,699	(79,977)
Advances from government agencies	291,011	(134,808)
NET CASH USED IN OPERATING ACTIVITIES	<u>(490,109)</u>	<u>(115,110)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	<u>(19,224)</u>	<u>(17,478)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(19,224)</u>	<u>(17,478)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(509,333)	(132,588)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,500,136</u>	<u>1,632,724</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 990,803</u>	<u>\$ 1,500,136</u>

The accompanying notes are an integral part of these consolidated financial statements.



BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2015 AND 2014

Note 1 - Nature of Organization

The accompanying consolidated financial statements reflect the activities of Barrier Free Living Holding, Inc. and its subsidiaries, Barrier Free Living, Inc., Freedom House for People with Disabilities, Inc., The New York Center for the Disabled Housing Development Fund Company, and Freedom House Housing Development Fund Company, Inc. (collectively referred to as the "Organization").

Barrier Free Living, Inc. is a nonprofit agency dedicated to helping people with disabilities live independently and securely in the community. Barrier Free Living, Inc. provides a comprehensive range of case management and counseling services to homeless disabled adults and to domestic violence survivors with disabilities that enable them to overcome the systemic barriers to independent living. On January 1, 2015, Barrier Free Living, Inc. began a contract to provide support services to 50 families with a head of household with a disabling medical condition and 70 individuals with disabling mental health issues. This initial contract constituted a start-up period for the purchase of furniture and equipment and for the hiring of core staff members for the development of the program. The 70-unit studio building began operations at the beginning of May 2015. The family building began operations on July 1, 2015.

Freedom House for People with Disabilities, Inc. is a nonprofit agency dedicated to providing fully accessible emergency shelter and social services to domestic violence survivors with disabilities and their children, with every part of the shelter constructed to accommodate individuals who are mobility impaired, deaf or hard of hearing, blind or visually impaired.

The New York Center for the Disabled Housing Development Fund Company is a nonprofit agency which owns the building where Barrier Free Living, Inc. operates a transitional housing facility for homeless, physically disabled adults.

Freedom House Housing Development Fund Company, Inc. is a nonprofit agency which owns the building that serves as a fully accessible emergency shelter for domestic violence survivors with disabilities and their children.

The following program and supporting services of the Organization are included in the accompanying financial statements:

Residential Services

Provides transitional housing and case management to disabled homeless adults and provides emergency shelter and case management to domestic violence survivors with disabilities and their children. Provides supportive housing services (counseling, case management and advocacy) to 50 families and 70 adults in permanent housing developed in partnership with Barrier Free Living, Inc.

Outreach

Provides information/referrals and case management to homeless, physically disabled adults with co-existing mental health or substance abuse conditions, in order to assist in achieving integration or reintegration within the community through successful treatment program participation, enhanced independent living skills, and permanent housing placements.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2015 AND 2014

Note 1 - Nature of Organization (cont'd.)

Domestic Violence

Provides nonresidential services to domestic violence survivors with disabilities, offering case management, safety planning, occupational therapy, short and long-term counseling, housing assistance, advocacy within the medical, mental health, child welfare, law and criminal justice systems, and operation of a domestic violence crisis hotline.

Administration

Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Organization's program strategy; secure proper administrative functioning of the Board of Directors; maintain competent legal services for the program administration of the Organization; and manage the financial and budgetary responsibilities of the Organization.

The Organization receives substantial support from the New York City Department of Homeless Services and the New York City Human Resources Administration. The Organization is obligated under the terms of contracts to comply with specified conditions and program requirements set forth by the grantor.

Note 2 - Summary of Significant Accounting Policies

Principles of Consolidation

All intercompany transactions and balances have been eliminated in these consolidated financial statements.

Basis of Accounting

The accompanying consolidated financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2015 AND 2014

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Fair Value of Financial Instruments (cont'd.)

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting the Organization's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

At June 30, 2015 and 2014, the fair value of the Organization's financial instruments including cash and cash equivalents, contracts and grants receivable, accounts payable and accrued expenses, and accrued salary and vacation payable approximated book value due to the short maturity of these instruments.

At June 30, 2015 and 2014, the Organization does not have assets or liabilities required to be measured at fair value in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements*.

Cash and Cash Equivalents

Cash equivalents include highly liquid investments with initial maturities when acquired of three months or less.

Property and Equipment

Property and equipment is recorded at cost. The Organization capitalizes property and equipment acquisitions over \$500, as well as expenditures that increase the life of existing assets. Depreciation and amortization of property and equipment is recorded on a straight-line basis over the estimated useful lives of the assets, which range from 5 to 30 years. Leasehold improvements are amortized on a straight-line basis over the estimated useful life of the improvement or the term of the lease, whichever is less.

Receivables, Advances and Revenue

The Organization records receivables and revenue when earned based on established rates multiplied by the number of units of service provided. Government grants are recorded as revenues to the extent that expenses have been incurred for the purposes specified by the grantors. To the extent amounts received exceed amounts spent, the Organization defers the amounts as advances from government agencies.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2015 AND 2014

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Allowance for Doubtful Accounts

The allowance for doubtful accounts estimate is based on management's assessment of the creditworthiness of its funders, the aged basis of its receivables, as well as current economic conditions and historical information. Receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Factors used to determine whether an allowance should be recorded include the age of the receivable and a review of payments subsequent to year-end. Interest income is not accrued or recorded on accounts receivable. The Organization has determined that an allowance for doubtful accounts for receivables was not necessary at June 30, 2015 and 2014.

Deferred Charges

Deferred charges arise based on the difference between revenue recognized and the expenses reimbursed from the New York State Homeless Housing and Assistance Corporation and the Department of Housing Preservation and Development for the property relating to the Freedom House Housing Development Fund Company, Inc. Depreciation is currently recognized annually while reimbursement will not be recognized until future periods. The difference is reflected as a deferred charge on the balance sheet. The deferred charge is a timing difference, which will accumulate in earlier years and be reversed during later periods.

Net Assets

Unrestricted net assets of the Organization which have not been restricted by an outside donor or by law are therefore available for use in carrying out the operations of the Organization.

Contributions

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted contributions and government contract revenues received and expended in the same fiscal year are reflected as unrestricted revenues.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including fixed assets and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. At June 30, 2015 and 2014, there have been no such losses.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2015 AND 2014

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Donated Services

For the years ended June 30, 2015 and 2014, revenues and expenses reflect \$710,929 and \$621,556, respectively, of donated home health services provided to the Organization's homeless disabled adults residing at the transitional housing facility. The licensed home care agency provides personal care attendants to serve the residents' home care needs. The care attendants are managed by on-site supervisors from the home care agency.

For the years ended June 30, 2015 and 2014, revenues and expenses reflect \$366,225 and \$301,025, respectively, of donated services provided by various social workers and occupational therapists, whose services include providing individual and group counseling, crisis intervention, full cognitive and mental status evaluations, and many other valuable services.

For the years ended June 30, 2015 and 2014, revenues and expenses reflect \$23,541 and \$22,304, respectively, of donated food and supplies provided by various sources.

A number of volunteers have donated significant amounts of their time to the Organization's program and supporting services. However, since these services do not meet the criteria for recognition under U.S. GAAP, they are not reflected in the accompanying consolidated financial statements.

Functional Expenses

The costs of providing the Organization's various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Accounting for Uncertainty in Income Taxes

The Organization has adopted the provisions pertaining to uncertain tax provisions (FASB ASC Topic 740) and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2012.

Income Taxes

The component corporations of the Organization were incorporated as not-for-profit corporations under the laws of the State of New York and are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable New York State tax laws.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2015 AND 2014

Note 3 - Concentration of Credit Risk

The Organization maintains cash balances in several financial institutions, which are insured by the Federal Deposit Insurance Corporation (“FDIC”) for up to \$250,000 per institution. From time to time, the Organization’s balances may exceed these limits.

Note 4 - Property and Equipment

Property and equipment, net, consists of the following at June 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Land	\$ 292,500	\$ 292,500
Buildings and improvements	11,127,335	11,108,110
Furniture and equipment	284,649	284,649
Leasehold improvements	31,091	31,091
	11,735,575	11,716,350
Less: Accumulated depreciation and amortization	6,650,225	6,348,816
	\$ 5,085,350	\$ 5,367,534

Note 5 - Notes Payable

Freedom House Housing Development Fund Company, Inc. has a grant enforcement note with the New York State Homeless Housing and Assistance Corporation and the Department of Housing Preservation and Development. The note is secured by a mortgage on the building, building improvements and all other property items related to the facility constructed with the proceeds of an original loan in the amount of \$8,326,039. The note will be deemed of no further force and effect on October 8, 2031, and Freedom House Housing Development Fund Company, Inc. will automatically be discharged from this obligation, provided it complies with the terms and conditions of the note agreement.

Note 6 - Pension Plan

The Organization has a defined contribution pension plan covering all employees with one full year of service with at least 1,000 hours. The Organization contributed 2% of an employee’s gross pay each period. In addition, the Organization matches the first 3% of the employee’s contribution. For the years ended June 30, 2015 and 2014, pension expense amounted to \$117,782 and \$108,090, respectively.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2015 AND 2014

Note 7 - Functional Expenses

	<u>2015</u>	<u>2014</u>
Transitional housing program	\$ 2,483,356	\$ 2,541,692
Supportive housing	599,397	-
Outreach	72,028	86,380
Domestic violence - non-residential program	767,244	852,062
Emergency domestic violence shelter	2,764,363	2,146,750
Total program expenses	<u>6,686,388</u>	<u>5,626,884</u>
 Management and general	 <u>717,170</u>	 <u>765,214</u>
 Total expenses	 <u><u>\$ 7,403,558</u></u>	 <u><u>\$ 6,392,098</u></u>

Note 8 - Commitments and Contingencies

The Organization has contracted with various funding agencies to perform certain counseling services. Reimbursements received under these contracts are subject to audit by federal and state governments and other agencies. Upon audit, if discrepancies are discovered, the Organization could be held responsible for refunding the amounts in question.

On April 29, 2011, the Organization entered into a Supportive Housing Agreement (“SHA”) with Alembic Development Company, LLC (“ADC”), the purpose of which is to construct two supportive housing projects of 50 and 70 unit sizes located in New York City. Operations commenced during the year ended June 30, 2015 as the Organization was granted two Temporary Certificates of Occupancy.

Note 9 - Subsequent Events

The Organization has evaluated all events or transactions that occurred after June 30, 2015 through the date of these consolidated financial statements, which is the date that the consolidated financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION



BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
SUPPLEMENTARY INFORMATION  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2015

ASSETS

	Barrier Free Living Holding, Inc.	Barrier Free Living, Inc.	The New York Center for the Disabled Housing Development Company	Freedom House Housing Development Fund Company, Inc.	Freedom House for People with Disabilities, Inc.	Eliminations	Consolidated
<b>CURRENT ASSETS:</b>							
Cash and cash equivalents	\$ -	\$ 452,805	\$ 60,912	\$ 426,529	\$ 50,557	\$ -	\$ 990,803
Contracts and grants receivable	-	877,932	-	-	1,074,400	-	1,952,332
Prepaid expenses	-	60,287	-	-	-	-	60,287
Intercompany receivable/payable	-	715,610	-	1,054,125	-	(1,769,735)	-
Other assets	-	16,511	2,020	-	500	-	19,031
<b>Total Current Assets</b>	<b>-</b>	<b>2,123,145</b>	<b>62,932</b>	<b>1,480,654</b>	<b>1,125,457</b>	<b>(1,769,735)</b>	<b>3,022,453</b>
<b>DEFERRED CHARGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,542,181</b>	<b>-</b>	<b>-</b>	<b>3,542,181</b>
<b>PROPERTY AND EQUIPMENT, NET</b>	<b>-</b>	<b>-</b>	<b>293,971</b>	<b>4,791,379</b>	<b>-</b>	<b>-</b>	<b>5,085,350</b>
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 2,123,145</b>	<b>\$ 356,903</b>	<b>\$ 9,814,214</b>	<b>\$ 1,125,457</b>	<b>\$ (1,769,735)</b>	<b>\$ 11,649,984</b>
<u>LIABILITIES AND NET ASSETS (DEFICIT)</u>							
<b>CURRENT LIABILITIES:</b>							
Accounts payable and accrued expenses	\$ -	\$ 536,173	\$ 18,114	\$ -	\$ 29,484	\$ -	\$ 583,771
Accrued salary and vacation payable	-	308,459	-	-	55,069	-	363,528
Advances from government agencies	-	423,538	-	-	2,739	-	426,277
Intercompany receivable/payable	-	100,000	5,472	-	1,664,263	(1,769,735)	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>1,368,170</b>	<b>23,586</b>	<b>-</b>	<b>1,751,555</b>	<b>(1,769,735)</b>	<b>1,373,576</b>
<b>NOTES PAYABLE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,326,039</b>	<b>-</b>	<b>-</b>	<b>8,326,039</b>
<b>Total Liabilities</b>	<b>-</b>	<b>1,368,170</b>	<b>23,586</b>	<b>8,326,039</b>	<b>1,751,555</b>	<b>(1,769,735)</b>	<b>9,699,615</b>
<b>COMMITMENTS AND CONTINGENCIES</b>							
<b>NET ASSETS (DEFICIT):</b>							
Unrestricted - board designated	-	-	333,317	637,311	-	-	970,628
Unrestricted - operating	-	754,975	-	850,864	(626,098)	-	979,741
<b>Total Net Assets (Deficit) - Unrestricted</b>	<b>-</b>	<b>754,975</b>	<b>333,317</b>	<b>1,488,175</b>	<b>(626,098)</b>	<b>-</b>	<b>1,950,369</b>
<b>TOTAL LIABILITIES AND NET ASSETS (DEFICIT)</b>	<b>\$ -</b>	<b>\$ 2,123,145</b>	<b>\$ 356,903</b>	<b>\$ 9,814,214</b>	<b>\$ 1,125,457</b>	<b>\$ (1,769,735)</b>	<b>\$ 11,649,984</b>

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BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
SUPPLEMENTARY INFORMATION  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2014

ASSETS

	Barrier Free Living Holding, Inc.	Barrier Free Living, Inc.	The New York Center for the Disabled Housing Development Company	Freedom House Housing Development Fund Company, Inc.	Freedom House for People with Disabilities, Inc.	Eliminations	Consolidated
<b>CURRENT ASSETS:</b>							
Cash and cash equivalents	\$ -	\$ 617,483	\$ 73,040	\$ 542,350	\$ 267,263	\$ -	\$ 1,500,136
Contracts and grants receivable	-	119,796	-	-	506,243	-	626,039
Prepaid expenses	-	25,198	-	-	-	-	25,198
Intercompany receivable/payable	-	435,343	-	908,044	70,842	(1,414,229)	-
Other assets	-	22,769	-	-	1,509	-	24,278
<b>Total Current Assets</b>	<b>-</b>	<b>1,220,589</b>	<b>73,040</b>	<b>1,450,394</b>	<b>845,857</b>	<b>(1,414,229)</b>	<b>2,175,651</b>
<b>DEFERRED CHARGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,244,643</b>	<b>-</b>	<b>-</b>	<b>3,244,643</b>
<b>PROPERTY AND EQUIPMENT, NET</b>	<b>-</b>	<b>-</b>	<b>293,971</b>	<b>5,073,563</b>	<b>-</b>	<b>-</b>	<b>5,367,534</b>
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 1,220,589</b>	<b>\$ 367,011</b>	<b>\$ 9,768,600</b>	<b>\$ 845,857</b>	<b>\$ (1,414,229)</b>	<b>\$ 10,787,828</b>
<u>LIABILITIES AND NET ASSETS (DEFICIT)</u>							
<b>CURRENT LIABILITIES:</b>							
Accounts payable and accrued expenses	\$ -	\$ 128,146	\$ -	\$ 5,210	\$ 11,498	\$ -	\$ 144,854
Accrued salary and vacation payable	-	198,440	-	-	113,389	-	311,829
Advances from government agencies	-	131,398	-	-	3,868	-	135,266
Intercompany receivable/payable	-	-	-	70,842	1,343,387	(1,414,229)	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>457,984</b>	<b>-</b>	<b>76,052</b>	<b>1,472,142</b>	<b>(1,414,229)</b>	<b>591,949</b>
<b>NOTES PAYABLE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,326,039</b>	<b>-</b>	<b>-</b>	<b>8,326,039</b>
<b>Total Liabilities</b>	<b>-</b>	<b>457,984</b>	<b>-</b>	<b>8,402,091</b>	<b>1,472,142</b>	<b>(1,414,229)</b>	<b>8,917,988</b>
<b>COMMITMENTS AND CONTINGENCIES</b>							
<b>NET ASSETS (DEFICIT):</b>							
Unrestricted - board designated	-	-	367,011	514,957	-	-	881,968
Unrestricted - operating	-	762,605	-	851,552	(626,285)	-	987,872
<b>Total Net Assets (Deficit) - Unrestricted</b>	<b>-</b>	<b>762,605</b>	<b>367,011</b>	<b>1,366,509</b>	<b>(626,285)</b>	<b>-</b>	<b>1,869,840</b>
<b>TOTAL LIABILITIES AND NET ASSETS (DEFICIT)</b>	<b>\$ -</b>	<b>\$ 1,220,589</b>	<b>\$ 367,011</b>	<b>\$ 9,768,600</b>	<b>\$ 845,857</b>	<b>\$ (1,414,229)</b>	<b>\$ 10,787,828</b>

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BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
SUPPLEMENTARY INFORMATION  
CONSOLIDATING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

	Barrier Free Living Holding, Inc.	Barrier Free Living, Inc.	The New York Center for the Disabled Housing Development Company	Freedom House Housing Development Fund Company, Inc.	Freedom House for People with Disabilities, Inc.	Eliminations	Consolidated
REVENUES:							
Government contracts and grants	\$ -	\$ 2,857,952	\$ -	\$ 297,538	\$ 3,190,684	\$ -	\$ 6,346,174
In-kind contributions	-	925,342	-	-	175,353	-	1,100,695
Contributions	-	29,808	-	-	2,925	-	32,733
Management fee	-	605,974	-	-	-	(605,974)	-
Rental income	-	-	24,066	128,245	-	(152,311)	-
Interest	-	1,069	194	1,041	556	-	2,860
Miscellaneous	-	1,113	-	-	512	-	1,625
<b>Total Revenues</b>	<b>-</b>	<b>4,421,258</b>	<b>24,260</b>	<b>426,824</b>	<b>3,370,030</b>	<b>(758,285)</b>	<b>7,484,087</b>
EXPENSES:							
Program services	-	3,712,299	57,954	304,697	2,763,749	(152,311)	6,686,388
Management and general	-	716,589	-	461	606,094	(605,974)	717,170
<b>Total Expenses</b>	<b>-</b>	<b>4,428,888</b>	<b>57,954</b>	<b>305,158</b>	<b>3,369,843</b>	<b>(758,285)</b>	<b>7,403,558</b>
CHANGE IN UNRESTRICTED NET ASSETS	-	(7,630)	(33,694)	121,666	187	-	80,529
NET ASSETS (DEFICIT), BEGINNING OF YEAR	-	762,605	367,011	1,366,509	(626,285)	-	1,869,840
NET ASSETS (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ 754,975</u>	<u>\$ 333,317</u>	<u>\$ 1,488,175</u>	<u>\$ (626,098)</u>	<u>\$ -</u>	<u>\$ 1,950,369</u>

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BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
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CONSOLIDATING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

	Barrier Free Living Holding, Inc.	Barrier Free Living, Inc.	The New York Center for the Disabled Housing Development Company	Freedom House Housing Development Fund Company, Inc.	Freedom House for People with Disabilities, Inc.	Eliminations	Consolidated
REVENUES:							
Government contracts and grants	\$ -	\$ 2,029,711	\$ -	\$ 333,042	\$ 3,055,307	\$ -	\$ 5,418,060
In-kind contributions	-	811,415	-	-	133,469	-	944,884
Contributions	-	17,106	-	-	10,090	-	27,196
Management fee	-	725,384	-	-	-	(725,384)	-
Rental income	-	-	23,536	52,653	70,843	(147,032)	-
Interest	-	802	75	1,013	575	-	2,465
Miscellaneous	-	625	44,833	-	1,072	-	46,530
Total Revenues	-	3,585,043	68,444	386,708	3,271,356	(872,416)	6,439,135
EXPENSES:							
Program services	-	2,878,402	417	349,188	2,545,909	(147,032)	5,626,884
Management and general	-	765,131	-	20	725,447	(725,384)	765,214
Total Expenses	-	3,643,533	417	349,208	3,271,356	(872,416)	6,392,098
CHANGE IN UNRESTRICTED NET ASSETS	-	(58,490)	68,027	37,500	-	-	47,037
NET ASSETS (DEFICIT), BEGINNING OF YEAR	-	821,095	298,984	1,329,009	(626,285)	-	1,822,803
NET ASSETS (DEFICIT), END OF YEAR	\$ -	\$ 762,605	\$ 367,011	\$ 1,366,509	\$ (626,285)	\$ -	\$ 1,869,840

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BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
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CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2015

	Barrier Free Living, Inc. and The New York Center for the Disabled Housing Development Company			Freedom House Housing Development Fund Company, Inc.			Freedom House for People with Disabilities, Inc.			Eliminations	Consolidated
	Program Services	Management and General	Total	Program Services	Management and General	Total	Program Services	Management and General	Total		
Salaries and wages	\$ 1,323,270	\$ 502,749	\$ 1,826,019	\$ -	\$ -	\$ -	\$ 1,371,729	\$ 605,974	\$ 1,977,703	\$ (605,974)	\$ 3,197,748
Employee benefits	228,341	91,622	319,963	-	-	-	182,296	-	182,296	-	502,259
Payroll taxes	190,609	24,159	214,768	-	-	-	191,638	-	191,638	-	406,406
In-kind contributions: home care services, social work, occupational therapy, food and supplies	924,692	-	924,692	-	-	-	176,003	-	176,003	-	1,100,695
Consultants and professional fees	283,705	30,380	314,085	-	-	-	189,320	-	189,320	-	503,405
Depreciation and amortization	-	-	-	301,408	-	301,408	-	-	-	-	301,408
Repairs and maintenance	517,005	-	517,005	3,150	-	3,150	93,498	-	93,498	-	613,653
Office supplies	91,744	27,654	119,398	139	-	139	67,315	-	67,315	-	186,852
Utilities	-	-	-	-	-	-	149,627	-	149,627	-	149,627
Rent	36,347	-	36,347	-	-	-	128,246	-	128,246	(152,311)	12,282
Insurance	42,183	15,993	58,176	-	-	-	74,167	-	74,167	-	132,343
Program supplies	20,273	150	20,423	-	-	-	21,769	-	21,769	-	42,192
Telephone	41,788	7,167	48,955	-	-	-	32,895	-	32,895	-	81,850
Food	44,013	1,187	45,200	-	-	-	6,814	-	6,814	-	52,014
Transportation	8,323	6,092	14,415	-	-	-	41,148	-	41,148	-	55,563
Residents'/children's activities	-	-	-	-	-	-	34,981	-	34,981	-	34,981
Miscellaneous	3,576	8,220	11,796	-	275	275	409	-	409	-	12,480
Residence expenses	14,384	-	14,384	-	-	-	1,894	-	1,894	-	16,278
Bank charges and fees	-	1,216	1,216	-	186	186	-	120	120	-	1,522
<b>Total Expenses</b>	<b>\$ 3,770,253</b>	<b>\$ 716,589</b>	<b>\$ 4,486,842</b>	<b>\$ 304,697</b>	<b>\$ 461</b>	<b>\$ 305,158</b>	<b>\$ 2,763,749</b>	<b>\$ 606,094</b>	<b>\$ 3,369,843</b>	<b>\$ (758,285)</b>	<b>\$ 7,403,558</b>

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BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES  
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CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2014

	Barrier Free Living, Inc. and The New York Center for the Disabled Housing Development Company			Freedom House Housing Development Fund Company, Inc.			Freedom House for People with Disabilities, Inc.			Eliminations	Consolidated
	Program Services	Management and General	Total	Program Services	Management and General	Total	Program Services	Management and General	Total		
Salaries and wages	\$ 1,220,472	\$ 456,546	\$ 1,677,018	\$ -	\$ -	\$ -	\$ 1,295,666	\$ 725,384	\$ 2,021,050	\$ (725,384)	\$ 2,972,684
Employee benefits	219,112	101,022	320,134	-	-	-	191,118	-	191,118	-	511,252
Payroll taxes	167,341	39,549	206,890	-	-	-	175,251	-	175,251	-	382,141
In-kind contributions: home care services, social work, occupational therapy, food and supplies	811,415	-	811,415	-	-	-	133,470	-	133,470	-	944,885
Consultants and professional fees	148,823	75,959	224,782	-	-	-	127,730	-	127,730	-	352,512
Depreciation and amortization	-	-	-	298,785	-	298,785	-	-	-	-	298,785
Repairs and maintenance	88,574	4,283	92,857	50,278	-	50,278	76,474	-	76,474	-	219,609
Office supplies	66,545	32,094	98,639	-	-	-	60,577	-	60,577	-	159,216
Utilities	-	-	-	-	-	-	153,892	-	153,892	-	153,892
Rent	23,536	-	23,536	-	-	-	123,496	-	123,496	(147,032)	-
Insurance	41,232	24,153	65,385	-	-	-	73,931	-	73,931	-	139,316
Program supplies	13,576	-	13,576	-	-	-	37,539	-	37,539	-	51,115
Telephone	19,185	7,393	26,578	-	-	-	28,758	-	28,758	-	55,336
Food	43,092	-	43,092	-	-	-	12,323	-	12,323	-	55,415
Transportation	10,290	7,238	17,528	-	-	-	26,537	-	26,537	-	44,065
Residents'/children's activities	-	-	-	-	-	-	20,052	-	20,052	-	20,052
Miscellaneous	408	16,451	16,859	125	-	125	1,742	-	1,742	-	18,726
Residence expenses	5,218	-	5,218	-	-	-	7,353	-	7,353	-	12,571
Bank charges and fees	-	443	443	-	20	20	-	63	63	-	526
<b>Total Expenses</b>	<b>\$ 2,878,819</b>	<b>\$ 765,131</b>	<b>\$ 3,643,950</b>	<b>\$ 349,188</b>	<b>\$ 20</b>	<b>\$ 349,208</b>	<b>\$ 2,545,909</b>	<b>\$ 725,447</b>	<b>\$ 3,271,356</b>	<b>\$ (872,416)</b>	<b>\$ 6,392,098</b>

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