

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

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

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, 2018 and 2017, 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, 2018 and 2017, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2018 and 2017 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
November 16, 2018

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>Restated 2017</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,791,208	\$ 2,030,376
Contracts and grants receivable	2,591,253	2,928,027
Prepaid expenses	198,225	123,765
Other current assets	<u>30,627</u>	<u>38,966</u>
Total Current Assets	<u>4,611,313</u>	<u>5,121,134</u>
DEFERRED CHARGE	<u>4,434,799</u>	<u>4,137,260</u>
PROPERTY AND EQUIPMENT, NET	<u>4,242,628</u>	<u>4,534,016</u>
TOTAL ASSETS	<u>\$ 13,288,740</u>	<u>\$ 13,792,410</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 280,174	\$ 391,905
Accrued salary and vacation payable	438,036	513,483
Advances from government agencies	<u>324,795</u>	<u>1,113,367</u>
Total Current Liabilities	1,043,005	2,018,755
NON-CURRENT:		
Loan payable	80,000	40,000
Note payable	<u>8,326,039</u>	<u>8,326,039</u>
Total Liabilities	<u>9,449,044</u>	<u>10,384,794</u>
COMMITMENTS AND CONTINGENCIES		
NET ASSETS:		
Unrestricted - board designated	1,048,000	940,479
Unrestricted - operating	2,692,774	2,417,137
Temporarily restricted	<u>98,922</u>	<u>50,000</u>
Total Net Assets	<u>3,839,696</u>	<u>3,407,616</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 13,288,740</u>	<u>\$ 13,792,410</u>

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, 2018 AND 2017

	2018			2017 (Restated)		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUES:						
Government contracts and grants	\$ 8,285,631	\$ -	\$ 8,285,631	\$ 8,275,125	\$ -	\$ 8,275,125
In-kind contributions	813,088	-	813,088	806,225	-	806,225
Program service fees	36,300	-	36,300	133,100	-	133,100
Developer's fee	-	-	-	231,089	-	231,089
Contributions	104,936	83,320	188,256	57,811	165,000	222,811
Interest	3,043	-	3,043	3,838	-	3,838
Miscellaneous	9,381	-	9,381	28,832	-	28,832
Net assets released from restrictions	34,398	(34,398)	-	115,000	(115,000)	-
Total Revenues	9,286,777	48,922	9,335,699	9,651,020	50,000	9,701,020
EXPENSES:						
Program services	7,823,561	-	7,823,561	8,066,965	-	8,066,965
Supporting Service:						
Management and general	1,080,058	-	1,080,058	1,057,992	-	1,057,992
Total Expenses	8,903,619	-	8,903,619	9,124,957	-	9,124,957
CHANGE IN NET ASSETS	383,158	48,922	432,080	526,063	50,000	576,063
NET ASSETS, BEGINNING OF YEAR	3,357,616	50,000	3,407,616	2,831,553	-	2,831,553
NET ASSETS, END OF YEAR	\$ 3,740,774	\$ 98,922	\$ 3,839,696	\$ 3,357,616	\$ 50,000	\$ 3,407,616

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, 2018 AND 2017

	2018			2017		
	Program Services	Supporting Service Management		Program Services	Supporting Service Management	
		and General	Total		and General	Total
Salaries and wages	\$ 3,967,287	\$ 640,322	\$ 4,607,609	\$ 4,103,888	\$ 644,211	\$ 4,748,099
Employee benefits	643,442	104,794	748,236	581,719	113,454	695,173
Payroll taxes	480,217	16,687	496,904	493,034	18,963	511,997
In-kind contributions: home care services, social work, occupational therapy, food, supplies and legal	641,293	171,795	813,088	675,066	131,159	806,225
Consultants and professional fees	615,589	39,402	654,991	634,913	67,643	702,556
Depreciation and amortization	312,438	-	312,438	309,530	-	309,530
Repairs and maintenance	193,181	8,900	202,081	211,969	-	211,969
Office supplies	169,327	43,023	212,350	220,322	30,210	250,532
Utilities	156,983	-	156,983	160,457	-	160,457
Rent	137,772	1	137,773	137,567	-	137,567
Insurance	139,235	24,667	163,902	136,110	23,291	159,401
Program supplies	88,717	-	88,717	161,600	-	161,600
Telephone	73,714	7,195	80,909	72,455	7,317	79,772
Food	45,512	5,782	51,294	57,113	3,384	60,497
Transportation	26,430	1,970	28,400	33,209	2,047	35,256
Residents'/children's activities	39,608	-	39,608	33,171	-	33,171
Miscellaneous	92,589	13,946	106,535	39,744	12,516	52,260
Residence expenses	-	-	-	4,859	-	4,859
Bank charges and fees	227	1,574	1,801	239	3,797	4,036
Total Expenses	\$ 7,823,561	\$ 1,080,058	\$ 8,903,619	\$ 8,066,965	\$ 1,057,992	\$ 9,124,957

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, 2018 AND 2017

	<u>2018</u>	<u>Restated 2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 432,080	\$ 576,063
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	312,438	309,530
Deferred charge	(297,539)	(297,540)
Changes in assets (increase) decrease:		
Contracts and grants receivable	336,774	(428,155)
Prepaid expenses	(74,460)	(31,935)
Other current assets	8,339	(30,778)
Changes in liabilities increase (decrease):		
Accounts payable and accrued expenses	(111,731)	53,473
Accrued salary and vacation payable	(75,447)	108,681
Advances from government agencies	(788,572)	212,452
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(258,118)</u>	<u>471,791</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	<u>(21,050)</u>	<u>(29,614)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(21,050)</u>	<u>(29,614)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from loan	<u>40,000</u>	<u>40,000</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>40,000</u>	<u>40,000</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(239,168)	482,177
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,030,376</u>	<u>1,548,199</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,791,208</u>	<u>\$ 2,030,376</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, 2018 AND 2017

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 having 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 through April 30, 2018, and currently operates a Non-Residential Domestic Violence Counseling program.

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, 2018 AND 2017

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 consolidated 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 consolidated 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, 2018 AND 2017

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, 2018 and 2017, the fair value of the Organization's financial instruments, including cash and cash equivalents, contracts and grants receivable, accounts payable and accrued expenses, accrued salary and vacation payable, and advances from government agencies, approximated book value due to the short maturity of these instruments.

At June 30, 2018 and 2017, 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 Measurement*.

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. During 2016, the Organization modified its capitalization policy to property and equipment acquisitions over \$5,000, as well as expenditures that increase the life of existing assets. In prior years, the capitalization policy was over \$500. 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. Developer's fee revenue is recognized based on approval by the funding source and when earned.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

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, 2018 and 2017.

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 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. Temporarily restricted net assets are those net assets that are restricted by donors for specific purposes. At June 30, 2018 and 2017, temporarily restricted net assets of \$98,922 and \$50,000, respectively, are available to reimburse expenses for educational related training for residents.

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.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

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

In-Kind Contributions

For the years ended June 30, 2018 and 2017, revenues and expenses reflect \$255,284 and \$256,516, 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, 2018 and 2017, revenues and expenses reflect \$382,108 and \$403,739, 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, 2018 and 2017, revenues and expenses reflect \$3,900 and \$14,811, respectively, of donated food and supplies provided by various sources.

For the years ended June 30, 2018 and 2017, revenue and expenses reflect \$171,796 and \$131,159, respectively, of donated legal services from two law firms.

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 applies 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.

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, 2018 AND 2017

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

New Accounting Pronouncements

ASU No. 2016-14

In August 2016, the FASB issued Accounting Standards Update (“ASU”) No. 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. This ASU is a result of the recommendations developed by FASB’s Not-for-Profit Advisory Committee and FASB’s ongoing review of Generally Accepted Accounting Principles (GAAP) standards to improve existing standards to meet the evolving needs of a dynamic financial reporting environment.

The ASU provides for changes in financial statement presentation that effect classification of net assets, presentation of expenses, investment returns and presentation of operating cash flows. It also calls for enhanced disclosures of board designated funds, underwater endowment funds, methods used to allocate costs among functions, and liquidity and availability of resources. The ASU affects all not-for-profit organizations including charities, foundations, colleges and universities, health care providers, religious organizations, trade associations, and cultural institutions, among others.

The amendments of ASU No. 2016-14 are effective for annual financial statements issued for periods beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018.

ASU No. 2016-02

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU is the result of a joint project of the FASB and the International Accounting Standards Board (“IASB”) to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements for U.S. GAAP and International Financial Reporting Standards (“IFRS”). The guidance in this ASU affects any entity that enters into a lease (as that term is defined in this ASU), with some specified scope exemptions. The guidance in this ASU will supersede FASB ASC Topic 840, *Leases*.

The ASU provides that lessees should recognize lease assets and lease liabilities on the balance sheet for leases previously classified as operating leases that exceed 12 months, including leases existing prior to the effective date of this ASU. It also calls for enhanced leasing arrangement disclosures.

For nonpublic entities, the amendments of ASU No. 2016-02 are effective for annual reporting periods beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020. Early application is permitted for all entities.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

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

New Accounting Pronouncements (cont'd.)

ASU No. 2014-09

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU is the result of a joint project of the FASB and the IASB to clarify the principles for recognizing revenue and to develop a common revenue standard for U.S. GAAP and IFRS. The guidance in this ASU affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards.

The ASU provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity should apply the following five-step process to recognize revenue:

- Step 1: Identify the contract with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

For nonpublic entities, the amendments of ASU No. 2014-09 are effective for annual reporting periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. Early application is permitted under certain circumstances.

The Organization has not yet determined if these ASUs will have a material effect on the consolidated financial statements.

Note 3 - Concentration of Credit Risk

The Organization maintains cash balances in one financial institution, which balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to \$250,000. From time to time, the Organization's balances may exceed this limit.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

Note 4 - Property and Equipment

Property and equipment, net, consists of the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Land	\$ 292,500	\$ 292,500
Buildings and improvements	11,197,549	11,190,149
Furniture and equipment	284,649	284,649
Leasehold improvements	44,741	31,091
	11,819,439	11,798,389
Less: Accumulated depreciation and amortization	7,576,811	7,264,373
	\$ 4,242,628	\$ 4,534,016

Note 5 - Note and Loan Payable

Note 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.

Loan Payable

In December 2016, Barrier Free Living, Inc. entered into a multi-year noninterest-bearing recoverable grant agreement with a foundation in the amount of \$120,000 with disbursements to Barrier Free Living, Inc. of \$40,000 per year. Barrier Free Living, Inc. is to repay each \$40,000 installment in November 2019, 2020, and 2021, respectively.

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 contributes 2% of an employee's gross pay each period. In addition, the Organization matches the first 3% of the employee's contribution. During 2017, all employees had the option of withdrawing their investments or rolling into the new 401(k) profit sharing plan effective February 15, 2017.

The Organization has a 401(k) profit sharing plan effective February 15, 2017 covering all employees who are automatically enrolled upon date of hire with a 5% elective deferral contribution unless the employee opts out of the plan. Employees are eligible to receive discretionary matching and employer profit sharing contributions after completing one year of service.

For the years ended June 30, 2018 and 2017, pension expense amounted to \$173,208 and \$190,593, respectively.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

Note 7 - Functional Expenses

	<u>2018</u>	<u>2017</u>
Transitional housing program	\$ 1,846,891	\$ 2,441,434
Supportive housing	1,811,510	1,839,251
Outreach	176,818	141,765
Domestic violence - non-residential program	938,748	865,646
Freedom House Housing Development Fund	311,760	-
Emergency domestic violence shelter	2,737,834	2,778,869
Total program expenses	<u>7,823,561</u>	<u>8,066,965</u>
Management and general	<u>1,080,058</u>	<u>1,057,992</u>
Total expenses*	<u>\$ 8,903,619</u>	<u>\$ 9,124,957</u>

* Included in the above functional expenses are in-kind services, as follows:

Program services	\$ 641,292	\$ 675,066
Management and general	<u>171,796</u>	<u>131,159</u>
Total expenses	<u>\$ 813,088</u>	<u>\$ 806,225</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.

Note 9 - Transaction with Affiliated Organization

A new corporation, Barrier Free Living Housing Development Fund Corporation, Inc. ("BFL HDFC") was formed as part of an overall corporate structure for two supportive housing projects of 50 and 70 unit sizes located in New York City for families and individuals. The structure was organized as a limited liability corporation and was awarded Federal Low Income Housing Tax Credits. Barrier Free Living Holding, Inc. is the sole member of BFL HDFC. BFL HDFC is a 51% owner of East 138th Street GP, LLC who has a .01% ownership interest in East 138th Street Owners LLC. No transactions have taken place between Barrier Free Living Holding, Inc. and BFL HDFC. Barrier Free Living, Inc. and other parties to this structure have provided guarantees required by the Equity Investors and Construction Lenders.

As part of the creation of this structure, Barrier Free Living, Inc. entered into a supportive housing agreement with Alembic Development Company, LLC ("ADC") to develop this project. The agreement identifies that a developer's fee is to be paid to all parties as part of the development of this project. During the years ended June 30, 2018 and 2017, Barrier Free Living, Inc. received developer's fee payments of \$0 and \$231,089, respectively.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

Note 10 - Restatement

The nature of the restatement was the result of account grouping changes in the prior year resulting in an understatement of liabilities and an overstatement of income and net assets for the year ended June 30, 2017. The Organization's statement of financial position at June 30, 2017 and statements of activities and cash flows for the year then ended have been corrected to reflect the adjustments. The impact of the restatement on the June 30, 2017 financial statements is as follows:

	Balance, as previously reported, at June 30, 2017	Restatement	Restated Balance at June 30, 2017
Current Liabilities:			
Advances from government agencies	\$ 1,105,867	\$ 7,500	\$ 1,113,367
Revenue:			
Miscellaneous	\$ 36,332	\$ (7,500)	\$ 28,832
Net Assets:			
Total	\$ 3,415,116	\$ (7,500)	\$ 3,407,616

Note 11 - Subsequent Events

The Organization has evaluated all events or transactions that occurred after June 30, 2018 through the November 16, 2018, 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, 2018

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
CURRENT ASSETS:							
Cash and cash equivalents	\$ -	\$ 434,660	\$ 108,670	\$ 873,166	\$ 374,712	\$ -	\$ 1,791,208
Contracts and grants receivable	-	1,490,976	-	-	1,100,277	-	2,591,253
Prepaid expenses	-	198,225	-	-	-	-	198,225
Intercompany receivable/payable	-	974,664	-	927,821	-	(1,902,485)	-
Other current assets	-	28,972	-	-	1,655	-	30,627
Total Current Assets	-	3,127,497	108,670	1,800,987	1,476,644	(1,902,485)	4,611,313
DEFERRED CHARGE	-	-	-	4,434,799	-	-	4,434,799
PROPERTY AND EQUIPMENT, NET	-	-	305,467	3,937,161	-	-	4,242,628
TOTAL ASSETS	\$ -	\$ 3,127,497	\$ 414,137	\$ 10,172,947	\$ 1,476,644	\$ (1,902,485)	\$ 13,288,740

LIABILITIES AND NET ASSETS (DEFICIT)

CURRENT LIABILITIES:							
Accounts payable and accrued expenses	\$ -	\$ 245,145	\$ 18,114	\$ -	\$ 16,915	\$ -	\$ 280,174
Accrued salary and vacation payable	-	362,300	-	-	75,736	-	438,036
Advances from government agencies	-	321,517	-	-	3,278	-	324,795
Intercompany receivable/payable	-	-	-	-	1,902,485	(1,902,485)	-
Total Current Liabilities	-	928,962	18,114	-	1,998,414	(1,902,485)	1,043,005
LOAN PAYABLE	-	80,000	-	-	-	-	80,000
NOTE PAYABLE	-	-	-	8,326,039	-	-	8,326,039
Total Liabilities	-	1,008,962	18,114	8,326,039	1,998,414	(1,902,485)	9,449,044
COMMITMENTS AND CONTINGENCIES							
NET ASSETS (DEFICIT):							
Unrestricted - board designated	-	-	89,268	958,732	-	-	1,048,000
Unrestricted - operating	-	2,019,613	306,755	888,176	(521,770)	-	2,692,774
Temporarily restricted	-	98,922	-	-	-	-	98,922
Total Net Assets (Deficit)	-	2,118,535	396,023	1,846,908	(521,770)	-	3,839,696
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ -	\$ 3,127,497	\$ 414,137	\$ 10,172,947	\$ 1,476,644	\$ (1,902,485)	\$ 13,288,740

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2017

ASSETS

	Barrier Free Living Holding, Inc.	(Restated) 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	(Restated) Consolidated
CURRENT ASSETS:							
Cash and cash equivalents	\$ -	\$ 799,944	\$ 105,570	\$ 773,876	\$ 350,986	\$ -	\$ 2,030,376
Contracts and grants receivable	-	1,911,674	-	-	1,016,353	-	2,928,027
Prepaid expenses	-	123,765	-	-	-	-	123,765
Intercompany receivable/payable	-	987,313	-	908,044	-	(1,895,357)	-
Other assets	-	8,469	-	-	30,497	-	38,966
Total Current Assets	-	3,831,165	105,570	1,681,920	1,397,836	(1,895,357)	5,121,134
DEFERRED CHARGE	-	-	-	4,137,260	-	-	4,137,260
PROPERTY AND EQUIPMENT, NET	-	-	292,500	4,241,516	-	-	4,534,016
TOTAL ASSETS	\$ -	\$ 3,831,165	\$ 398,070	\$ 10,060,696	\$ 1,397,836	\$ (1,895,357)	\$ 13,792,410
LIABILITIES AND NET ASSETS (DEFICIT)							
CURRENT LIABILITIES:							
Accounts payable and accrued expenses	\$ -	\$ 343,912	\$ 18,114	\$ -	\$ 29,879	\$ -	\$ 391,905
Accrued salary and vacation payable	-	444,196	-	-	69,287	-	513,483
Advances from government agencies	-	1,102,589	-	-	10,778	-	1,113,367
Intercompany receivable/payable	-	-	1,640	-	1,893,717	(1,895,357)	-
Total Current Liabilities	-	1,890,697	19,754	-	2,003,661	(1,895,357)	2,018,755
LOAN PAYABLE	-	40,000	-	-	-	-	40,000
NOTE PAYABLE	-	-	-	8,326,039	-	-	8,326,039
Total Liabilities	-	1,930,697	19,754	8,326,039	2,003,661	(1,895,357)	10,384,794
COMMITMENTS AND CONTINGENCIES							
NET ASSETS (DEFICIT):							
Unrestricted - board designated	-	-	84,602	855,877	-	-	940,479
Unrestricted - operating	-	1,850,468	293,714	878,780	(605,825)	-	2,417,137
Temporarily restricted	-	50,000	-	-	-	-	50,000
Total Net Assets (Deficit)	-	1,900,468	378,316	1,734,657	(605,825)	-	3,407,616
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ -	\$ 3,831,165	\$ 398,070	\$ 10,060,696	\$ 1,397,836	\$ (1,895,357)	\$ 13,792,410

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	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		
		Unrestricted	Temporarily Restricted	Total			Unrestricted	Temporarily Restricted	Total		Unrestricted	Temporarily Restricted	Total
REVENUES:													
Government contracts and grants	\$ -	\$ 4,834,899	\$ -	\$ 4,834,899	\$ -	\$ 297,540	\$ 3,153,192	\$ -	\$ 3,153,192	\$ -	\$ 8,285,631	\$ -	\$ 8,285,631
In-kind contributions	-	677,724	-	677,724	-	-	135,364	-	135,364	-	813,088	-	813,088
Program service fees	-	36,300	-	36,300	-	-	-	-	-	-	36,300	-	36,300
Developer's fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	101,694	83,320	185,014	-	-	3,242	-	3,242	-	104,936	83,320	188,256
Management fee	-	470,612	-	470,612	-	-	-	-	-	(470,612)	-	-	-
Rental income	-	-	-	-	24,242	133,809	-	-	-	(158,051)	-	-	-
Interest	-	349	-	349	73	1,946	675	-	675	-	3,043	-	3,043
Miscellaneous	-	9,350	-	9,350	-	-	31	-	31	-	9,381	-	9,381
Net assets released from restrictions	-	34,398	(34,398)	-	-	-	-	-	-	-	34,398	(34,398)	-
Total Revenues	-	6,165,326	48,922	6,214,248	24,315	433,295	3,292,504	-	3,292,504	(628,663)	9,286,777	48,922	9,335,699
EXPENSES:													
Program services	-	4,925,412	-	4,925,412	6,608	311,755	2,737,837	-	2,737,837	(158,051)	7,823,561	-	7,823,561
Supporting service: Management and general	-	1,070,769	-	1,070,769	-	9,289	470,612	-	470,612	(470,612)	1,080,058	-	1,080,058
Total Expenses	-	5,996,181	-	5,996,181	6,608	321,044	3,208,449	-	3,208,449	(628,663)	8,903,619	-	8,903,619
CHANGE IN NET ASSETS	-	169,145	48,922	218,067	17,707	112,251	84,055	-	84,055	-	383,158	48,922	432,080
NET ASSETS (DEFICIT), BEGINNING OF YEAR	-	1,850,468	50,000	1,900,468	378,316	1,734,657	(605,825)	-	(605,825)	-	3,357,616	50,000	3,407,616
NET ASSETS (DEFICIT), END OF YEAR	\$ -	\$ 2,019,613	\$ 98,922	\$ 2,118,535	\$ 396,023	\$ 1,846,908	\$ (521,770)	\$ -	\$ (521,770)	\$ -	\$ 3,740,774	\$ 98,922	\$ 3,839,696

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

	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		
		Unrestricted	Temporarily Restricted	Total			Unrestricted	Temporarily Restricted	Total		Unrestricted	Temporarily Restricted	Total
REVENUES:													
Government contracts and grants	\$ -	\$ 4,864,818	\$ -	\$ 4,864,818	\$ -	\$ 297,540	\$ 3,112,767	\$ -	\$ 3,112,767	\$ -	\$ 8,275,125	\$ -	\$ 8,275,125
In-kind contributions	-	696,964	-	696,964	-	-	109,261	-	109,261	-	806,225	-	806,225
Program service fees	-	133,100	-	133,100	-	-	-	-	-	-	133,100	-	133,100
Developer's fee	-	231,089	-	231,089	-	-	-	-	-	-	231,089	-	231,089
Contributions	-	53,554	135,000	188,554	-	-	4,257	30,000	34,257	-	57,811	165,000	222,811
Management fee	-	464,729	-	464,729	-	-	-	-	-	(464,729)	-	-	-
Rental income	-	-	-	-	24,242	131,645	205	-	205	(156,092)	-	-	-
Interest	-	1,067	-	1,067	147	1,893	731	-	731	-	3,838	-	3,838
Miscellaneous (restated)	-	28,832	-	28,832	-	-	0	-	-	-	28,832	-	28,832
Net assets released from restrictions	-	85,000	(85,000)	-	-	-	30,000	(30,000)	-	-	115,000	(115,000)	-
Total Revenues	-	6,559,153	50,000	6,609,153	24,389	431,078	3,257,221	-	3,257,221	(620,821)	9,651,020	50,000	9,701,020
EXPENSES:													
Program services	-	5,133,018	-	5,133,018	3,111	308,059	2,778,869	-	2,778,869	(156,092)	8,066,965	-	8,066,965
Supporting service: Management and general	-	1,057,454	-	1,057,454	-	538	464,729	-	464,729	(464,729)	1,057,992	-	1,057,992
Total Expenses	-	6,190,472	-	6,190,472	3,111	308,597	3,243,598	-	3,243,598	(620,821)	9,124,957	-	9,124,957
CHANGE IN NET ASSETS	-	368,681	50,000	418,681	21,278	122,481	13,623	-	13,623	-	526,063	50,000	576,063
NET ASSETS (DEFICIT), BEGINNING OF YEAR	-	1,481,787	-	1,481,787	357,038	1,612,176	(619,448)	-	(619,448)	-	2,831,553	-	2,831,553
NET ASSETS (DEFICIT), END OF YEAR	\$ -	\$ 1,850,468	\$ 50,000	\$ 1,900,468	\$ 378,316	\$ 1,734,657	\$ (605,825)	\$ -	\$ (605,825)	\$ -	\$ 3,357,616	\$ 50,000	\$ 3,407,616

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
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CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	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	\$ 2,571,104	\$ 640,322	\$ 3,211,426	\$ -	\$ -	\$ -	\$ 1,396,183	\$ 470,612	\$ 1,866,795	\$ (470,612)	\$ 4,607,609
Employee benefits	412,517	104,794	517,311	-	-	-	230,925	-	230,925	-	748,236
Payroll taxes	308,864	16,687	325,551	-	-	-	171,353	-	171,353	-	496,904
In-kind contributions: home care services, social work, occupational therapy, food, supplies and legal	505,929	171,795	677,724	-	-	-	135,364	-	135,364	-	813,088
Consultants and professional fees	447,656	39,402	487,058	-	-	-	167,933	-	167,933	-	654,991
Depreciation and amortization	683	-	683	311,755	-	311,755	-	-	-	-	312,438
Repairs and maintenance	101,175	-	101,175	-	8,900	8,900	92,006	-	92,006	-	202,081
Office supplies	127,056	43,023	170,079	-	-	-	42,271	-	42,271	-	212,350
Utilities	-	-	-	-	-	-	156,983	-	156,983	-	156,983
Rent	162,014	1	162,015	-	-	-	133,809	-	133,809	(158,051)	137,773
Insurance	61,815	24,667	86,482	-	-	-	77,420	-	77,420	-	163,902
Program supplies	55,548	-	55,548	-	-	-	33,169	-	33,169	-	88,717
Telephone	42,877	7,195	50,072	-	-	-	30,837	-	30,837	-	80,909
Food	35,445	5,782	41,227	-	-	-	10,067	-	10,067	-	51,294
Transportation	7,130	1,970	9,100	-	-	-	19,300	-	19,300	-	28,400
Residents'/children's activities	-	-	-	-	-	-	39,608	-	39,608	-	39,608
Miscellaneous	92,207	13,668	105,875	-	278.00	278	382	-	382	-	106,535
Bank charges and fees	-	1,463	1,463	-	111	111	227	-	227	-	1,801
Total Expenses	\$ 4,932,020	\$ 1,070,769	\$ 6,002,789	\$ 311,755	\$ 9,289	\$ 321,044	\$ 2,737,837	\$ 470,612	\$ 3,208,449	\$ (628,663)	\$ 8,903,619

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2017

	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	\$ 2,608,604	\$ 644,211	\$ 3,252,815	\$ -	\$ -	\$ -	\$ 1,495,284	\$ 464,729	\$ 1,960,013	\$ (464,729)	\$ 4,748,099
Employee benefits	395,998	113,454	509,452	-	-	-	185,721	-	185,721	-	695,173
Payroll taxes	311,631	18,963	330,594	-	-	-	181,403	-	181,403	-	511,997
In-kind contributions: home care services, social work, occupational therapy, food and supplies and legal	565,805	131,159	696,964	-	-	-	109,261	-	109,261	-	806,225
Consultants and professional fees	451,269	67,643	518,912	-	-	-	183,644	-	183,644	-	702,556
Depreciation and amortization	1,471	-	1,471	308,059	-	308,059	-	-	-	-	309,530
Repairs and maintenance	138,378	-	138,378	-	-	-	73,591	-	73,591	-	211,969
Office supplies	163,687	30,210	193,897	-	-	-	56,635	-	56,635	-	250,532
Utilities	-	-	-	-	-	-	160,457	-	160,457	-	160,457
Rent	162,014	-	162,014	-	-	-	131,645	-	131,645	(156,092)	137,567
Insurance	60,799	23,291	84,090	-	-	-	75,311	-	75,311	-	159,401
Program supplies	139,774	-	139,774	-	-	-	21,826	-	21,826	-	161,600
Telephone	41,800	7,317	49,117	-	-	-	30,655	-	30,655	-	79,772
Food	38,111	3,384	41,495	-	-	-	19,002	-	19,002	-	60,497
Transportation	14,015	2,047	16,062	-	-	-	19,194	-	19,194	-	35,256
Residents'/children's activities	-	-	-	-	-	-	33,171	-	33,171	-	33,171
Miscellaneous	37,914	12,202	50,116	-	314	314	1,830	-	1,830	-	52,260
Residence expenses	4,859	-	4,859	-	-	-	-	-	-	-	4,859
Bank charges and fees	-	3,573	3,573	-	224	224	239	-	239	-	4,036
Total Expenses	\$ 5,136,129	\$ 1,057,454	\$ 6,193,583	\$ 308,059	\$ 538	\$ 308,597	\$ 2,778,869	\$ 464,729	\$ 3,243,598	\$ (620,821)	\$ 9,124,957

See independent auditors' report.