

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

CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

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

Opinion

We have audited the accompanying consolidated financial statements of Barrier Free Living Holding, Inc. and Subsidiaries, which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, 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.

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 as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Barrier Free Living Holding, Inc. and Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, Barrier Free Living Holding, Inc. and Subsidiaries changed its accounting policy related to its recording of leases whereby it is recognizing a right-of-use asset and a lease liability for all lease agreements with a term greater than 12 months. The policy was adopted retrospectively effective July 1, 2022, with the cumulative effect of initially applying the policy recognized as of the date of application. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Barrier Free Living Holding, Inc. and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Barrier Free Living Holding, Inc. and Subsidiaries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Barrier Free Living Holding, Inc. and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 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 20, 2023

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 911,488	\$ 1,183,002
Contracts and grants receivable	4,551,858	3,493,572
Prepaid expenses	146,362	200,484
Other current assets	<u>43,006</u>	<u>43,452</u>
Total Current Assets	5,652,714	4,920,510
RIGHT OF USE ASSET - OPERATING LEASE	998,394	-
DEFERRED CHARGE	5,921,676	5,624,137
PROPERTY AND EQUIPMENT, NET	<u>3,392,954</u>	<u>3,802,934</u>
TOTAL ASSETS	<u>\$ 15,965,738</u>	<u>\$ 14,347,581</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 395,917	\$ 261,150
Accrued salary and vacation payable	450,670	459,426
Advances from government agencies	792,339	798,625
Current portion of operating lease liabilities	<u>84,509</u>	<u>-</u>
Total Current Liabilities	1,723,435	1,519,201
NON-CURRENT LIABILITIES:		
Note payable	8,326,039	8,326,039
Operating lease liabilities, less current portion	<u>992,404</u>	<u>-</u>
Total Liabilities	<u>11,041,878</u>	<u>9,845,240</u>
COMMITMENTS AND CONTINGENCIES		
NET ASSETS:		
Without donor restrictions - operating	3,835,652	3,558,474
Without donor restrictions - board designated	1,042,050	897,709
Total without donor restrictions	<u>4,877,702</u>	<u>4,456,183</u>
With donor restrictions - purpose restricted	<u>46,158</u>	<u>46,158</u>
Total Net Assets	<u>4,923,860</u>	<u>4,502,341</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 15,965,738</u>	<u>\$ 14,347,581</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, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES:						
Government contracts and grants	\$ 8,020,173	\$ -	\$ 8,020,173	\$ 7,963,791	\$ -	\$ 7,963,791
In-kind contributions	332,520	-	332,520	376,968	-	376,968
Contributions	57,494	-	57,494	34,193	1,305	35,498
Interest	1,130	-	1,130	500	-	500
Miscellaneous	99,201	-	99,201	51,739	-	51,739
Net assets released from restrictions	-	-	-	4,953	(4,953)	-
Total Revenues	8,510,518	-	8,510,518	8,432,144	(3,648)	8,428,496
EXPENSES:						
Program services	6,632,171	-	6,632,171	6,915,205	-	6,915,205
Supporting service: Management and general	1,383,059	-	1,383,059	1,317,897	-	1,317,897
Total Expenses	8,015,230	-	8,015,230	8,233,102	-	8,233,102
CHANGE IN NET ASSETS	495,288	-	495,288	199,042	(3,648)	195,394
NET ASSETS, BEGINNING OF YEAR	4,456,183	46,158	4,502,341	4,257,141	49,806	4,306,947
CHANGE IN ACCOUNTING PRINCIPLE - ASC 842	(73,769)	-	(73,769)	-	-	-
NET ASSETS, END OF YEAR	\$ 4,877,702	\$ 46,158	\$ 4,923,860	\$ 4,456,183	\$ 46,158	\$ 4,502,341

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, 2023 AND 2022

	2023			2022		
	<u>Supporting Service</u>			<u>Supporting Service</u>		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and wages	\$ 3,392,477	\$ 725,312	\$ 4,117,789	\$ 3,476,520	\$ 774,258	\$ 4,250,778
Employee benefits	643,567	98,846	742,413	674,193	156,253	830,446
Payroll taxes	369,851	51,732	421,583	422,264	33,265	455,529
In-kind contributions: social work, occupational therapy and legal	234,354	98,165	332,519	282,134	94,834	376,968
Consultants and professional fees	261,217	163,590	424,807	311,094	76,905	387,999
Depreciation and amortization	409,980	-	409,980	415,986	-	415,986
Repairs and maintenance	165,711	14,207	179,918	144,150	-	144,150
Office supplies	56,586	59,860	116,446	73,418	42,044	115,462
Utilities	252,630	-	252,630	218,347	-	218,347
Event expense	-	-	-	-	4,961	4,961
Rent	258,444	-	258,444	251,155	-	251,155
Insurance	174,730	51,822	226,552	157,340	52,320	209,660
Program supplies	68,018	3,404	71,422	51,979	14	51,993
Telephone	57,048	23,144	80,192	41,417	8,974	50,391
Food	7,943	8,369	16,312	5,745	1,471	7,216
Transportation	19,883	4,457	24,340	25,495	3,755	29,250
Residents'/children's activities	195,477	-	195,477	294,554	774	295,328
Miscellaneous	64,255	80,151	144,406	69,414	68,069	137,483
Total Expenses	\$ 6,632,171	\$ 1,383,059	\$ 8,015,230	\$ 6,915,205	\$ 1,317,897	\$ 8,233,102

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, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 495,288	\$ 195,394
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	409,980	415,986
Deferred charge	(297,539)	(297,540)
Noncash lease expense	89,257	-
(Increase) decrease in assets:		
Contracts and grants receivable	(1,058,286)	(1,037,058)
Prepaid expenses	54,122	(35,691)
Other current assets	446	39,775
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	134,768	(136,230)
Accrued salary and vacation payable	(8,756)	45,851
Advances from government agencies	(6,286)	751,452
Operating lease liabilities	<u>(84,508)</u>	<u>-</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(271,514)</u>	<u>(58,061)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	-	(10,801)
Proceeds from redemption of certificates of deposit	<u>-</u>	<u>250,000</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>-</u>	<u>239,199</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of loan payable	<u>-</u>	<u>(40,000)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>-</u>	<u>(40,000)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(271,514)	141,138
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,183,002</u>	<u>1,041,864</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 911,488</u>	<u>\$ 1,183,002</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Operating lease right-of-use assets - implementation of ASC 842	<u>\$ 1,087,651</u>	<u>\$ -</u>
Operating lease liabilities - implementation of ASC 842	<u>\$ 1,161,421</u>	<u>\$ -</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, 2023 AND 2022

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, Freedom House Housing Development Fund Company, Inc. and Freedom Village, Inc. (collectively referred to as the "Organization").

Barrier Free Living, Inc. ("BFL") is a nonprofit agency dedicated to helping people with disabilities live independently and securely in the community. BFL provides a comprehensive range of case management and counseling services to homeless disabled adults and to domestic violence survivors with disabilities to enable them to overcome the systemic barriers to independent living.

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

The New York Center for the Disabled Housing Development Fund Company is a nonprofit agency which owns the land and building where BFL formerly operated a transitional housing facility for homeless, physically disabled adults through April 30, 2018. Subsequent to April 30, 2018, the building was demolished. The Organization is pursuing capital funding to build a 74-unit supportive housing building in its place. Once the capital is secured and the building is constructed, BFL will have a \$1,850,000 per annum contract with the NYS Office of Temporary and Disability Assistance to provide rental subsidies to tenants as well as funding for support staff. That funding will be provided as part of the Empire State Supportive Housing Initiative.

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/or children with disabilities.

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

Supportive Housing

Barrier Free Living Housing Development Fund Corporation, Inc. ("BFL HDFC") is the fee owner of a project in the South Bronx built in partnership with Alembic Community Development and Foxy Management. In May 2022, the management company was changed to Lemle & Wolff. BFL is the service provider for the 120 supportive housing units. Foxy Management is the building manager and acts as landlord for the project. BFL currently provides supportive housing services (counseling, case management, occupational therapy, and advocacy) to 50 families and 70 adults in permanent housing. The program was developed under the low-income tax credit program so 99% of the project is owned by tax creditors for a fifteen-year period of time. BFL will have the right of first refusal to purchase the project at the end of the fifteen years.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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

Domestic Violence - Non-Residential Program

BFL runs Secret Garden, a Non-Residential Domestic Violence program. Secret Garden provides nonresidential services to domestic violence survivors with disabilities, offering case management, safety planning, occupational therapy, short and long-term counseling, housing assistance, legal services, advocacy within the medical, mental health, and child welfare systems, and operation of a domestic violence crisis hotline.

Emergency Domestic Violence Shelter

Freedom House runs the Emergency Domestic Violence Shelter program. Freedom House has 106 licensed beds and assists domestic violence survivors with or without disabilities regardless of gender identity who seek safety in shelter. Freedom House specializes in working with people with disabilities and those who are D/deaf, however, since it is licensed as an emergency domestic violence shelter by the New York State Office of Children and Family Services, Freedom House cannot turn away victims seeking shelter because they do not identify as disabled. Services include crisis counseling, case management, occupational therapy and family services. State regulations allow residents of Freedom House to stay for 90 days with extensions up to 180 days.

Administration

Administration includes the functions necessary to maintain an equitable employment program; ensure a safe and supportive 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 Health and Mental Hygiene. The Organization is obligated under the terms of contracts to comply with specified conditions and program requirements set forth by the grantor.

During the year ended June 30, 2023, The Mayor's Office of Contract Services ("MOCS") approved BFL's Indirect Cost Rate ("ICR") on its New York City funded programs at 36.06%. This approved ICR will be used for three years beginning July 1, 2022.

Note 2 - Summary of Significant Accounting Policies

Adoption of ASU No. 2016-02

As of July 1, 2022, the Organization adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)* ("ASC 842"). This ASU requires all lessees to recognize a right-of-use asset for the underlying leased asset and a lease liability for the corresponding lease liability for all lease agreements with a term greater than 12 months, initially measured at the present value of the lease payments. It also requires that initial direct costs (incremental costs of a lease that would not have been incurred if the lease had not been obtained) be assessed and added to the right-of-use asset and be included in its subsequent amortization.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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

Adoption of ASU No. 2016-02 (cont'd.)

In accordance with Accounting Standards Codification (“ASC”) 842, the modified retrospective method was applied to all lease agreements in effect at July 1, 2022. Under the modified retrospective method, the cumulative effect of applying the standard is recognized at the date of initial application. As a result of adopting ASC 842 effective July 1, 2022, the Organization recorded right-of-use assets and lease liabilities of \$1,087,651 and \$1,161,421 respectively, and a \$73,769 reduction to beginning net assets.

As of July 1, 2022 (the implementation date of ASC 842), right-of-use assets and the corresponding lease liabilities were recognized based on the present value of lease payments as of the application date over the remaining life of the lease term. Thereafter, right-of-use assets and the corresponding lease liabilities will be recognized as of the lease commencement date based on the present value of lease payments over the life of the lease term. To determine the present value of lease payments, the Organization must use the rate implicit in the lease if it is readily determinable; otherwise, the Organization may use either (a) a borrowing rate based on similar debt or (b) the practical expedient option provided by ASC 842, which allows an entity to use a risk-free rate for each class of underlying asset for a period comparable to the lease term to discount the lease payments to present value. The Organization considers the lease term to be the noncancellable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease, if the Organization is reasonably certain to exercise the option, (2) terminate the lease, if the Organization is reasonably certain not to exercise that option, and (3) extend or not to terminate the lease, in which exercise of the option is controlled by the lessor. The Organization has elected to use the practical expedient provided by ASC 842 to determine the present value of its lease payments. The Organization’s right-of-use assets and lease liabilities relate to office space.

The Organization has also utilized the following practical expedients:

- Short-term leases - for leases that are for a period of 12 months or less, the Organization will not apply the recognition requirements of ASC 842.
- For leases that contain related non-lease components, such as maintenance, the Organization will account for these payments as a single lease component.

In addition, the Organization has utilized transitional practical expedients as follows:

As of July 1, 2022, the Organization has not reassessed –

- Whether any expired or existing contracts are or contain leases;
- The lease classification for any expired or existing leases; and
- Initial direct costs related to any expired or existing leases.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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

Adoption of ASU No. 2016-02 (cont'd.)

Leases are classified as either finance or operating leases. For operating leases, the lease liability is initially and subsequently measured at the present value of the future payments at the lease commencement date. For finance leases, the lease liability is initially measured in the same manner and is subsequently measured similar to financed purchases, with interest expense recorded in connection with the lease liability. The classification between operating and finance leases determines whether lease expenses are recognized based on an effective interest method or on a straight-line basis, respectively, over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred and less any incentives received. Right-of-use assets under finance leases are amortized on a straight-line basis over the lease term. Right-of-use assets for operating and finance leases are periodically reduced by impairment losses.

The Organization monitors for events or changes that could require a reassessment of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment will be made to the carrying amount of the corresponding right-of-use asset unless doing so would reduce the carrying amount of the right-of-use asset to an amount less than zero.

Operating lease right-of-use assets are presented as "Operating lease right-of-use assets" on the statement of financial position. Operating lease liabilities are presented as "Operating lease liabilities" on the statement of financial position.

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.

Cash and Cash Equivalents

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

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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

Property and Equipment

Property and equipment is recorded at cost. The Organization's policy is to capitalize property and equipment acquisitions over \$5,000, as well as expenditures that increase the life of existing assets. Depreciation of property and equipment is recorded on a straight-line basis over the estimated useful lives of the assets, which range from 5 to 25 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 without donor restrictions to the extent that expenses have been incurred for the purposes specified by the grantors. Government grants are recognized as BFL meets the conditions prescribed by the grant and incurs eligible expenses under the grant. As the conditions are met, BFL simultaneously releases the government grants and reflects them as without donor restrictions. Grant activities and outlays are subject to audited acceptance by the granting agencies and, as a result of such audits, adjustments could be required.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is based on management's assessment of the creditworthiness of the Organization's funders, the aged basis of its receivables, as well as current economic conditions and historical information. Receivables are written off 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 was not necessary at June 30, 2023 and 2022.

Deferred Charges

Deferred charges arise based on the difference between revenue recognized over time 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. The deferred charge is recognized annually in an amount equal to the depreciation on the property, while reimbursement will not be recognized until future periods. The amounts recognized are reflected as a deferred charge on the consolidated statement of financial position. The deferred charge is a timing difference, which will accumulate until the related note payable is discharged at which point the deferred charges will offset the note payable (Note 5).

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 JUNE 30, 2023 AND 2022

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

Net Assets

Net assets without donor restrictions have not been restricted by an outside donor or by law and are therefore available for use in carrying out the operations of the Organization. Included in net assets without donor restrictions are funds designated by the Organization's Board of Directors. At June 30, 2023 and 2022, board-designated net assets of \$1,042,050 and \$897,709, respectively, were available for program expansion and capital reserves. Net assets with donor restrictions include purpose restricted net assets whose use has been restricted by donors to a specific purpose. At June 30, 2023 and 2022, purpose restricted net assets of \$46,158 are available to reimburse expenses for educational-related training for residents. During the years ended June 30, 2023 and 2022, net assets of \$0 and \$4,953, respectively, were released from donor restrictions by incurring expenses satisfying the restricted purposes.

Contributions

Contributions are provided to the Organization either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts - with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<i>Conditional gifts, with or without restrictions</i>	
Gifts that depend on the Organization overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, i.e. the donor-imposed barrier is met
<i>Unconditional gifts, with or without restrictions</i>	
Received at date of gift - cash and other assets	Fair value
Received at date of gift - property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 JUNE 30, 2023 AND 2022

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

Contributions (cont'd.)

When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service. Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue without donor restrictions.

In-Kind Contributions

Many individuals volunteer their time and services to perform a variety of tasks that assist the Organization with running its programs and operations. In-kind contributions and expenses of \$332,520 in 2023 and \$376,968 in 2022 were recorded for donated legal services and services provided by various social workers and occupational therapists, who provide individual and group counseling, crisis intervention, full cognitive and mental status evaluations, and many other valuable services.

<u>Nonfinancial Asset</u>	<u>2023</u>	<u>2022</u>	<u>Usage in Programs/Activities</u>	<u>Donor Restriction</u>	<u>Fair Value Techniques</u>
Legal services	\$ 98,165	\$ 94,834	Program	None	Estimated based on current rates of legal services provided by law firm
Social workers and occupational therapists	<u>234,355</u>	<u>282,134</u>	Program	None	Estimated based on current rates paid by the Organization for the same services
	<u>\$332,520</u>	<u>\$376,968</u>			

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. Expenses such as utilities, event expense, rent, program supplies and residents'/children's activities are directly charged to program expenses. Expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques including square footage and time and effort.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

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

Accounting for Uncertainty in Income Taxes

The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated 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 2020.

Reclassification

Certain reclassifications have been made to the 2022 financial statements to conform to the 2023 financial statement presentation. These reclassifications had no effect on the change in net assets.

Income Taxes

Barrier Free Living Holding, Inc. and its subsidiaries 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.

New Accounting Pronouncement

ASU No. 2016-13

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which amends several aspects of the measurement of credit losses on financial instruments, including replacing the existing incurred credit loss model with the current expected credit loss (“CECL”) model and amending certain aspects of accounting for purchased financial assets with deterioration in credit quality since origination. Subsequent to the release of this update, the FASB has issued additional ASUs to provide transition and clarifying guidance as well as to defer the effective date for nonpublic businesses. Under the CECL model, the allowance for losses for financial assets that are measured at amortized cost should reflect management’s estimate of credit losses over the remaining expected life of the financial assets. Expected credit losses for newly recognized financial assets, as well as changes to expected credit losses during the period, would be recognized in earnings. For certain purchased financial assets with deterioration in credit quality since origination, an initial allowance would be recorded for expected credit losses and recognized as an increase to the purchase price rather than as an expense. Expected credit losses, including losses on off-balance-sheet exposures such as lending commitments, will be measured based on historical experience, current conditions and forecasts that affect the collectability of the reported amount.

This ASU is effective for all nonpublic entities for annual reporting periods beginning after December 15, 2022.

The Organization does not expect the adoption of ASU No. 2016-13 to have a significant impact on the financial statements.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Note 3 - Concentration of Credit Risk

The Organization maintains cash balances in various financial institutions. Such balances are insured by the Federal Deposit Insurance Corporation (“FDIC”) for up to \$250,000 per institution. At June 30, 2023, and from time to time during the years ended June 30, 2023 and 2022, the Organization's balances exceeded these limits.

Note 4 - Property and Equipment

Property and equipment, net, consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Land	\$ 292,500	\$ 292,500
Buildings and improvements	11,625,211	11,625,211
Furniture and equipment	273,418	273,418
Construction in progress	226,516	226,516
Leasehold improvements	493,571	493,571
	12,911,216	12,911,216
Less: Accumulated depreciation and amortization	9,518,262	9,108,282
	\$ 3,392,954	\$ 3,802,934

Depreciation expense for the years ended June 30, 2023 and 2022 totaled \$409,980 and \$415,986, respectively. There were no disposals during the year ended June 30, 2023. During the year ended June 30, 2022, the Organization disposed of \$48,151 of fully depreciated equipment.

Note 5 - Note and Loan Payable

Note Payable

Freedom House Housing Development Fund Company, Inc. has entered into 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, BFL entered into a multi-year, noninterest-bearing recoverable grant agreement with a foundation in the amount of \$120,000 with disbursements to BFL of \$40,000 per year. The last installment of \$40,000 was repaid in November 2021.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Note 6 - Lines of Credit

In January 2018, BFL obtained a line of credit in the amount of \$500,000, which automatically renews on an annual basis unless the bank is otherwise notified by BFL. Interest is charged at the prime rate plus 3.25%, totaling 11.5% and 8.0% at June 30, 2023 and 2022, respectively. The line is secured by the property of BFL. BFL did not utilize the line of credit during the years ended June 30, 2023 and 2022.

In January 2018, Freedom House obtained a line of credit in the amount of \$250,000, which automatically renews on an annual basis unless the bank is otherwise notified by Freedom House. Interest is charged at the prime rate plus 10.05%, totaling 18.3% and 14.8% at June 30, 2023 and 2022, respectively. The line is secured by the property of Freedom House. Freedom House did not utilize the line of credit during the years ended June 30, 2023 and 2022.

Note 7 - Functional Expenses

Functional expenses consist of the following:

	<u>2023</u>	<u>2022</u>
Program expenses:		
Supportive housing	\$ 1,969,312	\$ 1,985,986
Domestic violence - non-residential program	673,118	1,240,677
Freedom House Housing Development Fund	357,038	362,354
Emergency domestic violence shelter	2,983,991	3,013,208
Other programs	648,712	312,980
Total program expenses	<u>6,632,171</u>	<u>6,915,205</u>
Management and general	<u>1,383,059</u>	<u>1,317,897</u>
Total expenses	<u>\$ 8,015,230</u>	<u>\$ 8,233,102</u>

Note 8 - Pension Plan

The Organization maintains 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, 2023 and 2022, pension expense amounted to \$127,785 and \$152,963, respectively.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Note 9 - Leases

The Organization's right-of-use assets and lease liabilities relate to office space.

Lease components in the Organization's leases are accounted for following the guidance in ASC 842 for the capitalization of long-term leases. At June 30, 2023, the lease liability is equal to the present value of the remaining lease payments, discounted using the U.S. Treasury rate constant maturity at each lease commencement date.

Lease activity for the year ended June 30, 2023 was as follows:

Lease Cost:

Operating Lease Cost	<u>\$ 89,257</u>
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Other Information:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operating leases	<u>\$ 84,508</u>
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Weighted-average remaining lease term:

Operating Lease	<u>9.59 Years</u>
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Weighted-average discount rate:

Operating Lease	<u>2.78%</u>
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Future minimum lease payments as of June 30, 2023 are as follows:

Years Ending June 30:

2024	\$ 118,048
2025	120,409
2026	122,817
2027	125,273
2028	127,779
Thereafter	<u>618,803</u>
Total minimum lease payments	<u>1,233,129</u>
Less: Amount representing interest	<u>156,216</u>
Present value of future payments	1,076,913
Less: Current obligations	<u>89,233</u>
Long-term obligations	<u>\$ 987,680</u>

Note 10 - Commitments and Contingencies

Paycheck Protection Program

The SBA may elect to undertake a review of the Organization's forgiven Paycheck Protection Program loan of \$388,219.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Note 10 - Commitments and Contingencies (cont'd.)

Government Funding

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. The Organization pays rent for tenants based on rental subsidy agreements, which are not subject to long-term lease/rent commitments.

Note 11 - Transaction with Affiliated Organization

BFL HDFC

In 2016, BFL HDFC was formed as part of an overall limited liability company structure which was awarded Federal Low Income Housing Tax Credits for two supportive housing projects located in Bronx, New York consisting of 50 family units and 70 individual units for families and individuals. Barrier Free Living Holding, Inc. is the sole member of BFL HDFC. BFL HDFC is a 51% owner of East 138th Street GP, LLC, which 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. BFL 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, BFL entered into a supportive housing agreement with Alembic Development Company, LLC, an unaffiliated entity, to develop this project.

Freedom Village Housing Development Fund Corporation

On March 8, 2023, Freedom Village Housing Development Fund Corporation ("Freedom Village HDFC") was formed for the purpose of taking record title to, and acting as the nominal owner of, certain real property located at 270 East 2nd Street, New York, New York (the "Property"). Pursuant to a Declaration of Interest and Nominee Agreement, Freedom Village HDFC transferred all beneficial interest in the Property to 270 East 2nd Street Partners, LLC (the "Beneficial Owner"). The Beneficial Owner will develop the Property into a new approximately 75 unit multi-family residential housing complex to be known as Freedom Village (the "Project"). Barrier Free Living Holding, Inc. is the sole member of Freedom Village HDFC. BFL is a 49% owner of, and Freedom Village HDFC is a 51% owner of, 270 East 2nd St GP, Inc., which is the managing member and owns .01% of Beneficial Owner. An affiliate of Raymond James, the Low Income Housing Tax Credit Investor, is the 99.99% investor member of Beneficial Owner. In November 2023, Beneficial Owner closed on construction loan financing for the Project, with construction loans from Merchants Bank of Indiana, the City of New York, acting by and through its Department of Housing Preservation and Development, and the New York State Homeless Housing Assistance Corporation. The construction loans are guaranteed by BFL and Urban Builders Collaborative, LLC, an unrelated entity, which, together with BFL, are collectively the Developer of the Project and will each receive a substantial fee for undertaking its obligations under the Development Agreement with respect to the Project.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

Note 12 - Available Resources and Liquidity

The following reflects the Organization's financial assets as of the dates of the statements of financial position, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions or internal designations as of June 30, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 911,488	\$ 1,183,002
Contracts and grants receivable	4,551,858	3,493,572
Other current assets	<u>19,518</u>	<u>19,964</u>
Total	5,482,864	4,696,538
Contractual, internal or donor-imposed restrictions:		
Purpose restricted	(46,158)	(46,158)
Internal designations by board of directors	<u>(1,042,050)</u>	<u>(897,709)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,394,656</u>	<u>\$ 3,752,671</u>

The Organization's contracts are structured to provide liquidity throughout the year as the Organization invoices the contracting agencies on a monthly and quarterly basis for expenses incurred. The Organization's expenditures are not subject to significant seasonal fluctuations. The internal designations by the board of directors are available for program expense and capital resources. Although the Organization does not intend to spend from the board-designated funds, these amounts could be made available if necessary.

To help manage unanticipated liquidity needs, the Organization has committed lines of credit in the amount of \$750,000 which it could draw upon.

The Organization manages its liquidity and reserves following three guiding principles: operating with a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that capital expenditures can be accommodated. To achieve these targets, the Organization forecasts its future cash flows, monitors its liquidity quarterly, and monitors its reserves annually. During the years ended June 30, 2023 and 2022, the level of liquidity and reserves were managed within the policy requirements.

Note 13 - Subsequent Events

The Organization has evaluated all events or transactions that occurred after June 30, 2023 through December 20, 2023, 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, except as disclosed in Note 11.

SUPPLEMENTARY INFORMATION

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2023

ASSETS

	Barrier Free Living Holding, Inc.	Barrier Free Living, Inc.	The New York Center for the Disabled Housing Development Fund Company	Freedom House Housing Development Fund Company, Inc.	Freedom House for People with Disabilities, Inc.	Eliminations	Consolidated
CURRENT ASSETS:							
Cash and cash equivalents	\$ -	\$ 312,011	\$ 2,225	\$ 532,413	\$ 64,839	\$ -	\$ 911,488
Contracts and grants receivable	-	2,960,414	-	-	1,591,444	-	4,551,858
Prepaid expenses	-	134,902	-	-	11,460	-	146,362
Intercompany receivable/payable	-	249,648	-	1,396,455	21,662	(1,667,765)	-
Other current assets	-	42,270	-	-	736	-	43,006
Total Current Assets	-	3,699,245	2,225	1,928,868	1,690,141	(1,667,765)	5,652,714
RIGHT OF USE ASSET - OPERATING LEASE	-	998,394	-	-	-	-	998,394
DEFERRED CHARGE	-	-	-	5,921,676	-	-	5,921,676
PROPERTY AND EQUIPMENT, NET	-	386,282	398,325	2,608,347	-	-	3,392,954
TOTAL ASSETS	\$ -	\$ 5,083,921	\$ 400,550	\$ 10,458,891	\$ 1,690,141	\$ (1,667,765)	\$ 15,965,738
LIABILITIES AND NET ASSETS (DEFICIT)							
CURRENT LIABILITIES:							
Accounts payable and accrued expenses	\$ -	\$ 328,785	\$ 18,114	\$ 26,255	\$ 22,763	\$ -	\$ 395,917
Accrued salary and vacation payable	-	365,965	-	-	84,705	-	450,670
Advances from government agencies	-	342,307	-	-	450,032	-	792,339
Intercompany receivable/payable	-	394,844	-	-	1,272,921	(1,667,765)	-
Current portion of operating lease liabilities	-	84,509	-	-	-	-	84,509
Total Current Liabilities	-	1,516,410	18,114	26,255	1,830,421	(1,667,765)	1,723,435
NON-CURRENT LIABILITIES:							
Note payable	-	-	-	8,326,039	-	-	8,326,039
Operating lease liabilities, less current portion	-	992,404	-	-	-	-	992,404
Total Liabilities	-	2,508,814	18,114	8,352,294	1,830,421	(1,667,765)	11,041,878
COMMITMENTS AND CONTINGENCIES							
NET ASSETS (DEFICIT):							
Without donor restrictions - operating	-	2,528,949	382,436	1,064,547	(140,280)	-	3,835,652
Without donor restrictions - board designated	-	-	-	1,042,050	-	-	1,042,050
Total without donor restrictions	-	2,528,949	382,436	2,106,597	(140,280)	-	4,877,702
With donor restrictions - purpose restricted	-	46,158	-	-	-	-	46,158
Total Net Assets (Deficit)	-	2,575,107	382,436	2,106,597	(140,280)	-	4,923,860
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ -	\$ 5,083,921	\$ 400,550	\$ 10,458,891	\$ 1,690,141	\$ (1,667,765)	\$ 15,965,738

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2022

ASSETS

	Barrier Free Living Holding, Inc.	Barrier Free Living, Inc.	The New York Center for the Disabled Housing Development Fund Company	Freedom House Housing Development Fund Company, Inc.	Freedom House for People with Disabilities, Inc.	Eliminations	Consolidated
CURRENT ASSETS:							
Cash and cash equivalents	\$ -	\$ 346,130	\$ 2,225	\$ 716,454	\$ 118,193	\$ -	\$ 1,183,002
Contracts and grants receivable	-	2,056,085	-	-	1,437,487	-	3,493,572
Prepaid expenses	-	195,275	-	-	5,209	-	200,484
Intercompany receivable/payable	-	339,352	-	1,061,837	31,316	(1,432,505)	-
Other current assets	-	42,270	-	-	1,182	-	43,452
Total Current Assets	-	2,979,112	2,225	1,778,291	1,593,387	(1,432,505)	4,920,510
DEFERRED CHARGE	-	-	-	5,624,137	-	-	5,624,137
PROPERTY AND EQUIPMENT, NET	-	419,259	418,290	2,965,385	-	-	3,802,934
TOTAL ASSETS	\$ -	\$ 3,398,371	\$ 420,515	\$ 10,367,813	\$ 1,593,387	\$ (1,432,505)	\$ 14,347,581
LIABILITIES AND NET ASSETS (DEFICIT)							
CURRENT LIABILITIES:							
Accounts payable and accrued expenses	\$ -	\$ 222,443	\$ 18,114	\$ -	\$ 20,593	\$ -	\$ 261,150
Accrued salary and vacation payable	-	385,197	-	-	74,229	-	459,426
Advances from government agencies	-	274,563	-	-	524,062	-	798,625
Intercompany receivable/payable	-	5,060	-	26,256	1,401,189	(1,432,505)	-
Total Current Liabilities	-	887,263	18,114	26,256	2,020,073	(1,432,505)	1,519,201
NON-CURRENT LIABILITIES:							
Note payable	-	-	-	8,326,039	-	-	8,326,039
Total Liabilities	-	887,263	18,114	8,352,295	2,020,073	(1,432,505)	9,845,240
COMMITMENTS AND CONTINGENCIES							
NET ASSETS (DEFICIT):							
Without donor restrictions - operating	-	2,464,950	402,401	1,117,809	(426,686)	-	3,558,474
Without donor restrictions - board designated	-	-	-	897,709	-	-	897,709
Total without donor restrictions	-	2,464,950	402,401	2,015,518	(426,686)	-	4,456,183
With donor restrictions - purpose restricted	-	46,158	-	-	-	-	46,158
Total Net Assets (Deficit)	-	2,511,108	402,401	2,015,518	(426,686)	-	4,502,341
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ -	\$ 3,398,371	\$ 420,515	\$ 10,367,813	\$ 1,593,387	\$ (1,432,505)	\$ 14,347,581

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	Barrier Free Living Holding, Inc.	Barrier Free Living, Inc.			The New York Center for the Disabled Housing Development Fund Company	Freedom House Housing Development Fund Company, Inc.	Freedom House for People with Disabilities, Inc.	Eliminations	Consolidated		
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	Total
REVENUES:											
Government contracts and grants	\$ -	\$ 3,839,626	\$ -	\$ 3,839,626	\$ -	\$ 297,539	\$ 3,883,008	\$ -	\$ 8,020,173	\$ -	\$ 8,020,173
In-kind contributions	-	233,348	-	233,348	-	-	99,172	-	332,520	-	332,520
Contributions	-	57,393	-	57,393	-	-	101	-	57,494	-	57,494
Management fee	-	562,353	-	562,353	-	-	-	(562,353)	-	-	-
Rental income	-	-	-	-	-	150,472	-	(150,472)	-	-	-
Interest	-	480	-	480	-	106	544	-	1,130	-	1,130
Miscellaneous	-	98,804	-	98,804	-	-	397	-	99,201	-	99,201
Net assets released from restrictions	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	-	4,792,004	-	4,792,004	-	448,117	3,983,222	(712,825)	8,510,518	-	8,510,518
EXPENSES:											
Program services	-	3,271,177	-	3,271,177	19,965	357,038	3,134,463	(150,472)	6,632,171	-	6,632,171
Supporting service: Management and general	-	1,383,059	-	1,383,059	-	-	562,353	(562,353)	1,383,059	-	1,383,059
Total Expenses	-	4,654,236	-	4,654,236	19,965	357,038	3,696,816	(712,825)	8,015,230	-	8,015,230
CHANGE IN NET ASSETS	-	137,768	-	137,768	(19,965)	91,079	286,406	-	495,288	-	495,288
NET ASSETS (DEFICIT), BEGINNING OF YEAR	-	2,464,950	46,158	2,511,108	402,401	2,015,518	(426,686)	-	4,456,183	46,158	4,502,341
CHANGE IN ACCOUNTING PRINCIPLE - ASC 842	-	(73,769)	-	(73,769)	-	-	-	-	(73,769)	-	(73,769)
NET ASSETS (DEFICIT), END OF YEAR	\$ -	\$ 2,528,949	\$ 46,158	\$ 2,575,107	\$ 382,436	\$ 2,106,597	\$ (140,280)	\$ -	\$ 4,877,702	\$ 46,158	\$ 4,923,860

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Barrier Free Living Holding, Inc.	Barrier Free Living, Inc.		The New York Center for the Disabled Housing Development Fund Company	Freedom House Housing Development Fund Company, Inc.	Freedom House for People with Disabilities, Inc.	Eliminations	Consolidated			
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Without Donor Restrictions		Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES:											
Government contracts and grants	\$ -	\$ 4,068,944	\$ -	\$ 4,068,944	\$ -	\$ 297,539	\$ 3,597,308	\$ -	\$ 7,963,791	\$ -	\$ 7,963,791
In-kind contributions	-	260,267	-	260,267	-	-	116,701	-	376,968	-	376,968
Contributions	-	28,593	1,305	29,898	-	-	5,600	-	34,193	1,305	35,498
Management fee	-	517,315	-	517,315	-	-	-	(517,315)	-	-	-
Rental income	-	-	-	-	-	153,793	-	(153,793)	-	-	-
Interest	-	181	-	181	-	192	127	-	500	-	500
Miscellaneous	-	23,988	-	23,988	-	-	27,751	-	51,739	-	51,739
Net assets released from restrictions	-	4,953	(4,953)	-	-	-	-	-	4,953	(4,953)	-
Total Revenues	-	4,904,241	(3,648)	4,900,593	-	451,524	3,747,487	(671,108)	8,432,144	(3,648)	8,428,496
EXPENSES:											
Program services	-	3,519,680	-	3,519,680	19,963	362,354	3,167,001	(153,793)	6,915,205	-	6,915,205
Supporting service: Management and general	-	1,317,622	-	1,317,622	-	275	517,315	(517,315)	1,317,897	-	1,317,897
Total Expenses	-	4,837,302	-	4,837,302	19,963	362,629	3,684,316	(671,108)	8,233,102	-	8,233,102
CHANGE IN NET ASSETS	-	66,939	(3,648)	63,291	(19,963)	88,895	63,171	-	199,042	(3,648)	195,394
NET ASSETS (DEFICIT), BEGINNING OF YEAR	-	2,398,011	49,806	2,447,817	422,364	1,926,623	(489,857)	-	4,257,141	49,806	4,306,947
NET ASSETS (DEFICIT), END OF YEAR	\$ -	\$ 2,464,950	\$ 46,158	\$ 2,511,108	\$ 402,401	\$ 2,015,518	\$ (426,686)	\$ -	\$ 4,456,183	\$ 46,158	\$ 4,502,341

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Barrier Free Living, Inc. and The New York Center for the Disabled Housing Development Fund 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	\$ 1,824,908	\$ 725,312	\$ 2,550,220	\$ -	\$ -	\$ -	\$ 1,567,569	\$ 562,353	\$ 2,129,922	\$ (562,353)	\$ 4,117,789
Employee benefits	342,193	98,846	441,039	-	-	-	301,374	-	301,374	-	742,413
Payroll taxes	193,741	51,732	245,473	-	-	-	176,110	-	176,110	-	421,583
In-kind contributions: social work, occupational therapy and legal	135,182	98,165.00	233,347	-	-	-	99,172	-	99,172	-	332,519
Consultants and professional fees	154,511	163,590	318,101	-	-	-	106,706	-	106,706	-	424,807
Depreciation and amortization	52,942	-	52,942	357,038	-	357,038	-	-	-	-	409,980
Repairs and maintenance	26,919	14,207	41,126	-	-	-	138,792	-	138,792	-	179,918
Office supplies	42,123	59,860	101,983	-	-	-	14,463	-	14,463	-	116,446
Utilities	-	-	-	-	-	-	252,630	-	252,630	-	252,630
Rent	258,444	-	258,444	-	-	-	150,472	-	150,472	(150,472)	258,444
Insurance	64,768	51,822	116,590	-	-	-	109,962	-	109,962	-	226,552
Program supplies	29,178	3,404	32,582	-	-	-	38,840	-	38,840	-	71,422
Telephone	23,737	23,144	46,881	-	-	-	33,311	-	33,311	-	80,192
Food	1,816	8,369	10,185	-	-	-	6,127	-	6,127	-	16,312
Transportation	7,771	4,457	12,228	-	-	-	12,112	-	12,112	-	24,340
Residents'/children's activities	106,791	-	106,791	-	-	-	88,686	-	88,686	-	195,477
Miscellaneous	26,118	80,151	106,269	-	-	-	38,137	-	38,137	-	144,406
Total Expenses	\$ 3,291,142	\$ 1,383,059	\$ 4,674,201	\$ 357,038	\$ -	\$ 357,038	\$ 3,134,463	\$ 562,353	\$ 3,696,816	\$ (712,825)	\$ 8,015,230

See independent auditors' report.

BARRIER FREE LIVING HOLDING, INC. AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	Barrier Free Living, Inc. and The New York Center for the Disabled Housing Development Fund 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	\$ 1,885,986	\$ 774,258	\$ 2,660,244	\$ -	\$ -	\$ -	\$ 1,590,534	\$ 517,315	\$ 2,107,849	\$ (517,315)	\$ 4,250,778
Employee benefits	349,804	156,253	506,057	-	-	-	324,389	-	324,389	-	830,446
Payroll taxes	221,654	33,265	254,919	-	-	-	200,610	-	200,610	-	455,529
In-kind contributions: social work, occupational therapy and legal	165,433	94,834	260,267	-	-	-	116,701	-	116,701	-	376,968
Consultants and professional fees	178,762	76,905	255,667	-	-	-	132,332	-	132,332	-	387,999
Depreciation and amortization	53,632	-	53,632	362,354	-	362,354	-	-	-	-	415,986
Repairs and maintenance	12,324	-	12,324	-	-	-	131,826	-	131,826	-	144,150
Office supplies	37,375	42,044	79,419	-	-	-	36,043	-	36,043	-	115,462
Utilities	-	-	-	-	-	-	218,347	-	218,347	-	218,347
Event expense	-	4,961	4,961	-	-	-	-	-	-	-	4,961
Rent	251,155	-	251,155	-	-	-	153,793	-	153,793	(153,793)	251,155
Insurance	58,211	52,320	110,531	-	-	-	99,129	-	99,129	-	209,660
Program supplies	23,103	14	23,117	-	-	-	28,876	-	28,876	-	51,993
Telephone	21,067	8,974	30,041	-	-	-	20,350	-	20,350	-	50,391
Food	343	1,471	1,814	-	-	-	5,402	-	5,402	-	7,216
Transportation	2,427	3,755	6,182	-	-	-	23,068	-	23,068	-	29,250
Residents'/children's activities	218,396	774	219,170	-	-	-	76,158	-	76,158	-	295,328
Miscellaneous	59,971	67,794	127,765	-	275	275	9,443	-	9,443	-	137,483
Total Expenses	\$ 3,539,643	\$ 1,317,622	\$ 4,857,265	\$ 362,354	\$ 275	\$ 362,629	\$ 3,167,001	\$ 517,315	\$ 3,684,316	\$ (671,108)	\$ 8,233,102

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