

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED SEPTEMBER 30, 2017 AND 2016

**NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
TABLE OF CONTENTS
YEARS ENDED SEPTEMBER 30, 2017 AND 2016**

INDEPENDENT AUDITORS' REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENTS OF ACTIVITIES	4
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES	6
CONSOLIDATED STATEMENTS OF CASH FLOWS	8
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	9
SUPPLEMENTARY INFORMATION	
CONSOLIDATING BALANCE SHEET	21
CONSOLIDATING STATEMENT OF ACTIVITIES – UNRESTRICTED NET ASSETS	22
CONSOLIDATING STATEMENT OF ACTIVITIES – TEMPORARILY RESTRICTED NET ASSETS	23
CONSOLIDATING STATEMENT OF ACTIVITIES – PERMANENTLY RESTRICTED NET ASSETS	24

INDEPENDENT AUDITORS' REPORT

Board of Directors
Neighborhood Health Clinic, Inc. and Subsidiary
Naples, Florida

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Neighborhood Health Clinic, Inc. and Subsidiary (the Organization), which comprise the consolidated statements of financial position as of September 30, 2017 and 2016, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated 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 evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 consolidated financial position of the Organization as of September 30, 2017 and 2016, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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 information in the supplementary schedules is presented for purposes of additional analysis and is 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 audit 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.



CliftonLarsonAllen LLP

Naples, Florida
February 7, 2018

**NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2017 AND 2016**

ASSETS	2017	2016
Cash and Cash Equivalents	\$ 2,588,137	\$ 2,138,777
Investments, Unrestricted	4,131,877	4,416,413
Unconditional Promises to Give, Net and Grant Receivable	6,300	11,085
Inventory and Other Assets	104,778	161,863
Assets Held Under Split-Interest Agreements, Net	154,483	125,282
Property and Equipment, Net	6,377,374	5,332,756
Cash and Investments, Endowment	13,572,318	12,687,818
Total Assets	\$ 26,935,267	\$ 24,873,994
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 345,683	\$ 136,445
Deferred Revenue	16,935	49,500
Total Liabilities	362,618	185,945
NET ASSETS		
Unrestricted:		
Undesignated	6,272,477	6,470,862
Invested in Property and Equipment	6,377,374	5,332,756
Total Unrestricted	12,649,851	11,803,618
Temporarily Restricted	2,748,669	1,715,302
Permanently Restricted	11,174,129	11,169,129
Total Net Assets	26,572,649	24,688,049
Total Liabilities and Net Assets	\$ 26,935,267	\$ 24,873,994

See accompanying Notes to Consolidated Financial Statements.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUES				
Contributions and Grants	\$ 2,039,402	\$ 152,196	\$ 5,000	\$ 2,196,598
Contributed Services and Supplies	5,836,695	-	-	5,836,695
Special Events Income	\$ 1,134,442	-	-	-
Less: Direct Expenses	<u>(261,286)</u>	873,156	-	873,156
Rental Income	165,102	-	-	165,102
Other Income	18	-	-	18
Investment Return	456,238	1,545,596	-	2,001,834
Total Support and Revenues	<u>9,370,611</u>	<u>1,697,792</u>	<u>5,000</u>	<u>11,073,403</u>
Net Assets Released from Restrictions	693,626	(693,626)	-	-
Total Support, Revenues, and Reclassifications	<u>10,064,237</u>	<u>1,004,166</u>	<u>5,000</u>	<u>11,073,403</u>
EXPENSES				
Program Services	7,658,360	-	-	7,658,360
Management and General	453,299	-	-	453,299
Fundraising	433,426	-	-	433,426
Total Expenses	<u>8,545,085</u>	<u>-</u>	<u>-</u>	<u>8,545,085</u>
Change in Value of Split-Interest Agreement	-	29,201	-	29,201
Loss on Disposal of Fixed Assets	672,920	-	-	672,920
Total Expenses and Losses	<u>9,218,005</u>	<u>(29,201)</u>	<u>-</u>	<u>9,188,804</u>
CHANGE IN NET ASSETS	846,233	1,033,367	5,000	1,884,600
Net Assets - Beginning of Year	<u>11,803,618</u>	<u>1,715,302</u>	<u>11,169,129</u>	<u>24,688,049</u>
NET ASSETS - END OF YEAR	<u>\$ 12,649,851</u>	<u>\$ 2,748,669</u>	<u>\$ 11,174,129</u>	<u>\$ 26,572,649</u>

See accompanying Notes to Consolidated Financial Statements.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUES				
Contributions and Grants	\$ 1,272,913	\$ 345,450	\$ 3,000	\$ 1,621,363
Contributed Services and Supplies	3,969,150	-	-	3,969,150
Special Events Income	\$ 904,017	-	-	-
Less: Direct Expenses	<u>(284,230)</u>	619,787	-	619,787
Rental Income	184,687	-	-	184,687
Other Income	3,427	-	-	3,427
Investment Return	304,825	1,302,498	-	1,607,323
Total Support and Revenues	<u>6,354,789</u>	<u>1,647,948</u>	<u>3,000</u>	<u>8,005,737</u>
Net Assets Released from Restrictions	1,004,765	(1,004,765)	-	-
Total Support, Revenues, and Reclassifications	<u>7,359,554</u>	<u>643,183</u>	<u>3,000</u>	<u>8,005,737</u>
EXPENSES				
Program Services	5,403,968	-	-	5,403,968
Management and General	358,069	-	-	358,069
Fundraising	327,274	-	-	327,274
Total Expenses	<u>6,089,311</u>	<u>-</u>	<u>-</u>	<u>6,089,311</u>
Change in Value of Split-Interest Agreement	-	(8,635)	-	(8,635)
Loss on Disposal of Fixed Assets	267	-	-	267
Total Expenses and Losses	<u>6,089,578</u>	<u>8,635</u>	<u>-</u>	<u>6,098,213</u>
CHANGE IN NET ASSETS	1,269,977	634,548	3,000	1,907,525
Net Assets - Beginning of Year	<u>10,533,641</u>	<u>1,080,754</u>	<u>11,166,129</u>	<u>22,780,524</u>
NET ASSETS - END OF YEAR	<u>\$ 11,803,618</u>	<u>\$ 1,715,302</u>	<u>\$ 11,169,129</u>	<u>\$ 24,688,049</u>

See accompanying Notes to Consolidated Financial Statements.

**NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2017**

	Program Services	Management and General	Fundraising	Total
Advertising and Promotion	\$ -	\$ 13,736	\$ 24,400	\$ 38,136
Depreciation	183,890	6,031	3,016	192,937
Donated Services and Goods	5,720,625	53,779	74,779	5,849,183
Dues and Subscriptions	732	1,682	241	2,655
Insurance	41,497	8,322	1,167	50,987
Investment and Bank Fees	-	90,241	-	90,241
Lab Fees	16,680	-	-	16,680
Medical and Pharmacy Supplies	146,813	208	125	147,146
Office Supplies	31,695	8,938	3,043	43,676
Other Expenses	70,363	10,533	9,135	90,030
Postage and Shipping	5,071	276	165	5,512
Professional Fees	146,619	17,085	52,406	216,110
Repair and Maintenance	123,937	5,844	3,326	133,106
Salaries and Benefits	1,131,644	231,124	260,358	1,623,126
Telephone	17,348	943	566	18,857
Travel and Entertainment	-	3,392	-	3,392
Utilities	21,446	1,166	699	23,311
	<u>\$ 7,658,360</u>	<u>\$ 453,299</u>	<u>\$ 433,426</u>	<u>\$ 8,545,085</u>
Total Expenses				

See accompanying Notes to Consolidated Financial Statements.

**NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2016**

	Program Services	Management and General	Fund- Raising	Total
Advertising and Promotion	\$ -	\$ 23,262	\$ -	\$ 23,262
Depreciation	161,836	5,049	2,525	169,410
Donated Services and Goods	3,848,405	2,628	23,217	3,874,250
Dues and Subscriptions	253	4,090	602	4,945
Insurance	29,822	7,683	783	38,288
Investment and Bank Fees	-	81,886	-	81,886
Lab Fees	16,444	-	-	16,444
Medical and Pharmacy Supplies	134,976	-	-	134,976
Office Supplies	10,889	4,970	959	16,818
Other Expenses	36,766	5,215	50,470	92,451
Postage and Shipping	3,699	201	121	4,021
Professional Fees	143,321	15,844	27,000	186,165
Repair and Maintenance	99,406	4,631	2,639	106,676
Salaries and Benefits	885,878	183,358	217,922	1,287,157
Telephone	12,553	682	409	13,645
Travel and Entertainment	484	7,525	-	8,009
Utilities	19,235	1,045	627	20,908
	<u>\$ 5,403,968</u>	<u>\$ 358,069</u>	<u>\$ 327,274</u>	<u>\$ 6,089,311</u>
Total Expenses				

See accompanying Notes to Consolidated Financial Statements.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,884,600	\$ 1,907,525
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Change in Allowance and Net Present Value Discount	(29,201)	8,635
Bad Debt Expense	-	10,000
Depreciation	192,937	169,410
Loss on Disposal of Property and Equipment	672,920	267
Realized (Gains) Losses on Investments	(603,288)	143,247
Unrealized (Gains) Losses on Investments	(978,809)	(1,344,705)
Contributions Restricted for Long-Term Purposes	(5,000)	(3,000)
Donated Securities	-	(58,689)
(Increase) Decrease in:		
Inventory and Other Assets	57,085	(58,263)
Unconditional Promises to Give and Grant Receivable	4,785	(15,829)
Assets Held Under Split-Interest Agreement and Trust Receivable		
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	209,238	(17,986)
Deferred Revenue	(32,565)	600
Net Cash Provided by Operating Activities	1,372,702	741,212
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sales of Investments	5,647,400	2,578,258
Purchase of Investments	(4,654,928)	(3,328,437)
Purchase of Property and Equipment	(1,910,475)	(25,768)
Net Cash Used by Investing Activities	(918,003)	(775,947)
CASH FLOWS FROM FINANCING ACTIVITIES		
Collection of Contributions Restricted for Long-Term Purposes	5,000	3,000
Transfer of Cash Restricted for Long-Term Purposes	(10,338)	248,298
Net Cash Provided (Used) by Financing Activities	(5,338)	251,298
CHANGE IN CASH AND CASH EQUIVALENTS	449,360	216,562
Cash and Cash Equivalents - Beginning of Year	2,138,777	1,922,215
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,588,137	\$ 2,138,777
Cash and Cash Equivalents	\$ 2,588,137	\$ 2,138,777
Board-Designated Cash and Cash Equivalents	-	-
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,588,137	\$ 2,138,777
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ -	\$ -
Cash Paid for Income Taxes	\$ -	\$ -

See accompanying Notes to Consolidated Financial Statements.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Neighborhood Health Clinic, Inc. and Subsidiary (the Organization) is a Florida nonprofit corporation organized in 1999. Its purpose is to deliver quality medical care to low-income, working, but uninsured people of Collier County, using primarily volunteer professional staff. The Organization is supported primarily through donations, patient contributions, special events, and grants. The Organization does not accept any government funding or support.

During the year ended September 30, 2014, the Organization formed a new entity, 12th and Goodlette, LLC, a single member LLC with the Organization as the only member. The new entity was formed to purchase and hold property for future clinic expansion.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Neighborhood Health Clinic, Inc. (the Clinic) and 12th and Goodlette, LLC (together, the Organization), after elimination of intercompany accounts and transactions.

Basis of Accounting

The accounts of the Organization are maintained, and the accompanying consolidated financial statements have been prepared, on the accrual basis of accounting, which recognizes revenues when earned and expenses as incurred.

Financial Statement Presentation

The accompanying consolidated financial statements have been prepared in accordance with the reporting principles of nonprofit accounting.

Net Assets

Net assets, revenues, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted Net Assets – Resources over which the board of directors has discretionary control. Designated amounts represent those net assets, which the board has set aside for a particular purpose.

Temporarily Restricted Net Assets – Net assets subject to specific, donor-imposed restrictions that must be met by actions of the Organization and/or the passage of time. Such assets normally fund specific expenditures of a specific operating or capital nature.

Permanently Restricted Net Assets – Net assets subject to donor-imposed restrictions requiring they be maintained permanently by the Organization. Such assets are normally restricted to long-term investment with income earned and appreciation available for specific or general Organization purposes.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all bank and similar deposits, demand accounts, money market funds, and short-term investments with an original maturity of three months or less to be cash equivalents. The Organization maintains bank accounts with balances, which, at times, may exceed federally insured limits.

Liquidity

Assets are presented in the accompanying statements of financial position according to their nearness of conversion to cash, and liabilities according to the nearness of their maturity and resulting use of cash.

Inventory

Inventory consists primarily of pharmaceuticals and medical supplies and is stated at lower of cost (first-in, first-out method) or market.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the promise is to be received. Conditional promises to give are not included in support until such time as the conditions are substantially met.

Additionally, the Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

Investments

Investments are carried at fair value determined by quoted prices on the last business day of the fiscal year. Donated investments are recorded at fair value at the date of receipt. Investment income may be either unrestricted or temporarily restricted when earned, determined according to donor-imposed restrictions. The Organization follows a total-return concept with regard to investments, as such, unrealized appreciation on temporarily restricted net assets is considered to be unrestricted.

Fair Value Measurement

The Organization measures fair value using a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (Continued)

The objective of a fair value measurement is to determine 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 (an exit price).

The fair value hierarchy consists of three levels of inputs used to measure fair value as follows:

Level 1 – Inputs that utilize quoted prices in active markets for identical assets or liabilities that the fund has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The Organization also follows the fair value option for financial assets and liabilities standard. This standard allows entities the irrevocable option to elect fair value for the initial and subsequent measurement for certain financial assets and liabilities on a contract-by-contract basis. The Organization has not elected to measure any newly acquired financial instruments at fair value at September 30, 2017 and 2016, as permitted. However, the Organization may elect to measure newly acquired financial instruments at fair value in the future.

Property and Equipment

The Organization records property and equipment at cost when purchased or at fair market value when donated. Donated assets are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor use restrictions when the donated or acquired assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

The Organization capitalizes expenditures for personal property and betterments over \$5,000 and uses the straight-line method of depreciation calculated over the estimated useful life of the asset, ranging from three to seven years for furniture and equipment, and 40 years for buildings and improvements.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets Held Under Split-Interest Agreement

The Organization is the beneficiary of a charitable remainder trust being held by a financial institution. Under the trust agreement, specified amounts or percentages of funds invested are payable to the donor or the donor's designee, for life. Upon the death of the lifetime beneficiary, 50% of the balance of the investment is to be paid to the Organization. The Organization has recorded as assets the present value of its estimated beneficial interest in this gift. The present value of expected future cash inflows under this agreement is calculated using a discount rate of 2.4% at September 30, 2017. Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as increases or decreases in the value of split-interest agreements in the statements of activities. The present value of the split-interest agreement receivable totaled \$154,483 and \$125,282 at September 30, 2017 and 2016, respectively.

Contributions

Contributions are recognized by the Organization when the donor makes an unconditional promise to give. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Time and use restricted contributions from donors are reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time or use restriction. However, contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized.

Contributed Services and Supplies

Contributed services are reported as contributions at their fair value if such services create or enhance nonfinancial assets, or require specialized skills, and are provided by individuals possessing such specialized skills and the services would have been purchased if not donated. Contributed services consisting principally of physician, nursing, and other medical personnel totaled \$5,733,003 and \$3,945,933 during the years ended September 30, 2017 and 2016, respectively, and has been reflected in the accompanying consolidated financial statements. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, fundraising activities, and various committee assignments; however, no amounts have been reflected in the consolidated financial statements, as these services do not meet the criteria for recognition.

The Organization provides substantially all of their patients' medications through drug manufacturer patient assistance programs. As allowed by current accounting standards, the Organization chooses not to record these contributions or the ensuing liability to the ultimate beneficiary. Although not recorded, the value of the medication dispensed during the years ended September 30, 2017 and 2016 was estimated to be approximately \$4,856,662 and \$3,808,190, respectively.

**NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses

The cost of providing program and support services has been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Internal Revenue Service (IRS) has determined that the Organization is a nonprofit organization that is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3) and is treated as other than a private foundation within the meaning of Section 509(a) of the Code. Accordingly, no provision for income taxes has been made in these consolidated financial statements.

The Organization follows the income tax standard regarding the recognition and measurement of uncertain tax positions. This guidance clarifies the accounting for uncertainty in income taxes recognized in an organization's financial statements. This standard has no impact on the Organization's consolidated financial statements. The Organization is not aware of any activities that would jeopardize its tax-exempt status. The Organization is not aware of any activities that are subject to tax on unrelated business income or excise or other taxes. An Exempt Organization Business Income Tax Return (Form 990) is filed annually by the Organization. 12th and Goodlette, LLC is a single member LLC and is a disregarded entity for tax purposes. The activities of 12th and Goodlette, LLC are consolidated with the Organization for tax purposes.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through February 7, 2018, the date the consolidated financial statements were available to be issued.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 2 INVESTMENTS

Investments at September 30, 2017 and 2016 consist of the following:

	2017	
	Cost	Fair Value
Domestic Equities	\$ 6,349,102	\$ 9,199,421
Mutual Funds - Equities	2,873,701	3,355,411
Corporate Bonds	522,608	516,172
Mutual Funds - Fixed Income	2,819,307	2,816,335
Real Assets	842,453	824,324
Municipal Bonds	455,142	452,287
U.S. Treasury Obligations	289,522	287,986
Mortgage Backed Securities	154,515	148,262
Total	\$ 14,306,350	\$ 17,600,198

	2016	
	Cost	Fair Value
Domestic Equities	\$ 6,700,460	\$ 8,591,672
Mutual Funds - Equities	1,660,282	1,982,787
Corporate Bonds	436,059	427,213
Mutual Funds - Fixed Income	4,041,827	4,139,581
Real Assets	869,033	885,985
Municipal Bonds	574,355	574,189
U.S. Treasury Obligations	300,017	301,983
Mortgage Backed Securities	110,256	107,162
Total	\$ 14,692,289	\$ 17,010,572

Investments are included in the accompanying statements of financial position as follows:

	2017	2016
Investments, Unrestricted	\$ 4,131,877	\$ 4,416,414
Cash and Investments, Endowment	13,572,318	12,687,818
Cash Included in Cash and Investments, Endowment	(103,998)	(93,660)
Total	\$ 17,600,198	\$ 17,010,572

Investment return consists of the following:

	2017	2016
Interest and Dividends	\$ 419,737	\$ 405,865
Realized Investment Gains	603,288	(143,247)
Change in Unrealized Gains	978,809	1,344,705
Total	\$ 2,001,834	\$ 1,607,323

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 2 INVESTMENTS (CONTINUED)

The Organization's corporate, municipal bonds, mortgage-backed securities, and U.S. Treasury obligations consist of the following at September 30, 2017 and 2016:

2017				
Face Value	Maturity Date	Interest Rate	Cost	Market Value
\$ 50,000	2017	1.043-2.00%	\$ 50,030	\$ 50,040
335,000	2018	1.05-5.95%	339,431	334,970
260,000	2019	1.7-5.625%	264,852	262,834
1,095,335	2020	1.23 - 5%	403,526	399,975
425,000	2021	1.125 - 5-5%	199,727	197,482
50,000	2022	2.68%	50,990	50,932
225,000	2023	5.00-6.50%	25,696	24,928
1,008,905	2024	5.00%	36,111	35,911
258,000	2025	4.5 - 5.5%	48,179	47,635
<u>\$ 3,707,240</u>			<u>\$ 1,418,542</u>	<u>\$ 1,404,707</u>

2016				
Face Value	Maturity Date	Interest Rate	Cost	Market Value
\$ 410,000	2017	0.88 - 5.73%	\$ 425,770	\$ 414,096
310,000	2018	1.37 - 5.95%	317,203	315,669
275,000	2019	1.70 - 5.63%	280,437	282,079
1,005,335	2020	1.23 - 5.45%	329,607	332,313
225,000	2023	5.00-6.50%	34,720	34,233
325,000	2024	5.00%	17,245	17,079
83,000	2025	5.50%	15,717	15,078
<u>\$ 2,633,335</u>			<u>\$ 1,420,699</u>	<u>\$ 1,410,547</u>

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 3 FAIR VALUE MEASUREMENT

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization measures fair value, refer to Note 1 – Summary of Significant Accounting Policies. The following table presents the fair value hierarchy for the balances of the assets of the Organization measured at fair value on a recurring basis as of September 30, 2017 and 2016:

	2017			Total
	Level 1	Level 2	Level 3	
Domestic Equities	\$ 9,199,421	\$ -	\$ -	\$ 9,199,421
Mutual Funds - Equities	3,355,411	-	-	3,355,411
Corporate Bonds	-	516,172	-	516,172
Mutual Funds - Fixed Income	2,816,335	-	-	2,816,335
Real Assets	824,324	-	-	824,324
Municipal Bonds	-	452,287	-	452,287
U.S. Treasury Obligations	287,986	-	-	287,986
Mortgage Backed Securities	-	148,262	-	148,262
Assets Held Under Split- Interest Agreements	-	-	154,483	154,483
Total	<u>\$ 16,483,477</u>	<u>\$ 1,116,721</u>	<u>\$ 154,483</u>	<u>\$ 17,754,681</u>

	2016			Total
	Level 1	Level 2	Level 3	
Domestic Equities	\$ 8,591,672	\$ -	\$ -	\$ 8,591,672
Mutual Funds - Equities	1,982,787	-	-	1,982,787
Corporate Bonds	-	427,213	-	427,213
Mutual Funds - Fixed Income	4,139,581	-	-	4,139,581
Real Assets	885,985	-	-	885,985
Municipal Bonds	-	574,189	-	574,189
U.S. Treasury Obligations	301,983	-	-	301,983
Mortgage Backed Securities	-	107,162	-	107,162
Assets Held Under Split- Interest Agreements	-	-	125,282	125,282
Total	<u>\$ 15,902,008</u>	<u>\$ 1,108,564</u>	<u>\$ 125,282</u>	<u>\$ 17,135,854</u>

Municipal bonds and U.S. Treasury obligations are measured at fair value utilizing market prices at the close of the last business day for the statement period, provided by the investment advisors.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 3 FAIR VALUE MEASUREMENT (CONTINUED)

Assets held under split interest agreements are measured at fair value utilizing estimates of split-interest agreement assets utilizing market prices at the close of the last business day for the statement period, in addition to information provided by the agreement trustee.

A roll-forward of Level 3 assets measured at fair value at September 30, 2017 and 2016 is as follows:

Level 3 Assets Held Under Split-Interest Agreements:	
Balance - September 30, 2015	\$ 133,917
Split-Interest Agreement and Trust Receivable Receipts	<u>(8,635)</u>
Balance - September 30, 2016	125,282
Split-Interest Agreement Valuation Adjustment	<u>29,201</u>
Balance - September 30, 2017	<u><u>\$ 154,483</u></u>

NOTE 4 UNCONDITIONAL PROMISES TO GIVE AND GRANTS RECEIVABLE, NET

Unconditional promises to give and grants receivable consist of the following at September 30:

	<u>2017</u>	<u>2016</u>
Unconditional Promises to Give	\$ 15,000	\$ 20,000
Grants Receivable	2,215	2,000
Less: Discount to Net Present Value	(2,915)	(2,915)
Less: Allowance for Uncollectible Accounts	<u>(8,000)</u>	<u>(8,000)</u>
Total	<u><u>\$ 6,300</u></u>	<u><u>\$ 11,085</u></u>

Unconditional promises to give are scheduled to be received as follows:

	<u>2017</u>	<u>2016</u>
1 Year or Less	\$ 5,000	\$ 5,000
2 to 5 Years	10,000	15,000
Total	<u><u>\$ 15,000</u></u>	<u><u>\$ 20,000</u></u>

NOTE 5 ASSETS HELD UNDER SPLIT-INTEREST AGREEMENT

Assets held under split-interest agreement consist of the following as of September 30:

	<u>2017</u>	<u>2016</u>
Assets Held Under Split-Interest Agreement	\$ 415,931	\$ 415,931
Less: Valuation Allowance	<u>(261,448)</u>	<u>(290,649)</u>
Total	<u><u>\$ 154,483</u></u>	<u><u>\$ 125,282</u></u>

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 6 PROPERTY AND EQUIPMENT, NET

Property and equipment at September 30 consist of the following:

	<u>2017</u>	<u>2016</u>
Buildings	\$ 2,667,796	\$ 3,392,873
Land	2,303,509	2,303,509
Furniture and Equipment	1,840,409	412,273
Building Improvements	124,117	123,327
Computer Hardware and Software	228,537	155,934
Construction in Process	435,494	26,548
Total	<u>7,599,862</u>	<u>6,414,464</u>
Less: Accumulated Depreciation	<u>(1,222,488)</u>	<u>(1,081,708)</u>
Total	<u><u>\$ 6,377,374</u></u>	<u><u>\$ 5,332,756</u></u>

Depreciation expense for the years ended September 30, 2017 and 2016 totaled \$192,937 and \$169,410, respectively.

NOTE 7 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at September 30 consist of the following:

	<u>2017</u>	<u>2016</u>
Medications/Health Awareness	\$ 177,196	\$ 52,530
Unappropriated Endowment Earnings	2,416,990	1,537,490
Split-Interest Agreement Receivable	154,483	125,282
Total	<u><u>\$ 2,748,669</u></u>	<u><u>\$ 1,715,302</u></u>

Temporarily restricted net assets released from donor-imposed restrictions during the year ended September 30, 2017 consist of \$27,731 of net assets restricted for medications/health awareness and \$665,895 of unappropriated endowment earnings. Temporarily restricted net assets released from donor-imposed restrictions during the year ended September 30, 2016 consist \$367,189 of net assets restricted for medications/health awareness and \$637,576 of unappropriated endowment earnings.

NOTE 8 BENEFIT PLAN

The Organization has a 401(k) plan for the benefit of its employees. The plan became effective as of January 1, 2015. Employees were eligible to participate upon hire, and could elect to defer between 1% and 100% of eligible compensation. The organization must match at least 100% on the first 4% of eligible compensation that employees defer. For the years ended September 30, 2017 and 2016, the Organization contributed \$32,156 and \$28,160, respectively to the 401(k) plan, respectively.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 9 ENDOWMENT

As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization's endowment is donor restricted and its income is to be used for operations and other administrative costs. Annually, the board can transfer up to 5% of the market value of the account to be used for operations, as discussed below in "Investment Policies." There is no board-designated endowment.

Interpretation of Relevant Law

The board of directors has interpreted the relevant law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, as of September 30, 2017 and 2016, deficiencies of this nature that are reported in unrestricted net assets were \$-0-.

Investment Policies

The Organization has established an investment policy to determine investment or reinvestment of the assets in accordance with such guidelines, policies, and procedures that are authorized by the board. These guidelines, policies, and procedures shall attempt to provide a predictable stream of funding to programs supported by the endowment funds. The endowment investment policy allows the board of directors to distribute up to 5% of the value of the endowment for operations each year. However, if the board elects not to distribute any earnings, those funds remain in the endowment. The annual decision is noncumulative; consequently, no greater than 5% of the value of the endowment can be distributed in any given year. During the year ended September 30, 2017, the board elected to make this decision and distributed \$665,895 from the endowment for operations. The board had made distributions of \$637,576 during the year ended September 30, 2016.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017 AND 2016

NOTE 9 ENDOWMENT (CONTINUED)

	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, September 30, 2015	<u>\$ 872,367</u>	<u>\$ 11,147,328</u>	<u>\$ 12,019,695</u>
Contributions	-	3,000	3,000
Cash Collected on Existing Receivable	-	-	-
Investment Return (Loss):			
Investment Income	301,048	-	301,048
Investment Expenses	(62,613)	-	(62,613)
Decrease in Value	1,064,063	-	1,064,063
Total Investment Return (Loss)	<u>1,302,498</u>	<u>-</u>	<u>1,302,498</u>
Amounts Appropriated for Expenditure	<u>(637,375)</u>	<u>-</u>	<u>(637,375)</u>
Endowment Net Assets, September 30, 2016	<u>1,537,490</u>	<u>11,150,328</u>	<u>12,687,818</u>
Contributions	-	5,000	5,000
Cash Collected on Existing Receivable	-	-	-
Investment Return (Loss):			
Investment Income	298,514	-	298,514
Investment Expenses	(64,556)	-	(64,556)
Increase/Decrease in Value	1,311,638	-	1,311,638
Total Investment Return (Loss)	<u>1,545,596</u>	<u>-</u>	<u>1,545,596</u>
Amounts Appropriated for Expenditure	<u>(666,096)</u>	<u>-</u>	<u>(666,096)</u>
Endowment Net Assets, September 30, 2017	<u>\$ 2,416,990</u>	<u>\$ 11,155,328</u>	<u>\$ 13,572,318</u>

NOTE 10 RELATED PARTY TRANSACTIONS

At September 30, 2017 and 2016, the Organization had unconditional promises to give due from board members totaling \$15,000 and \$20,000, respectively.

In addition, during the years ending September 30, 2017 and 2016, the Organization received contribution income from board members totaling \$599,161 and \$147,503, respectively.

NOTE 11 OPERATING LEASES

The Organization has certain noncancellable operating leases. Future rental income from these operating leases totals \$86,000 to be received in the year ending September 30, 2017.

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATING BALANCE SHEET
SEPTEMBER 30, 2017
(SEE INDEPENDENT AUDITORS' REPORT)

	Neighborhood Health Clinic, Inc.	12th and Goodlette, LLC	Eliminations	Total
ASSETS				
Cash and Cash Equivalents	\$ 2,506,567	\$ 81,570	\$ -	\$ 2,588,137
Investments, Unrestricted	4,131,877	-	-	4,131,877
Investment in Subsidiary	1,622,799	-	(1,622,799)	-
Unconditional Promises to Give, Net and Grant Receivable	6,300	-	-	6,300
Inventory and Other Assets	99,878	4,900	-	104,778
Assets Held Under Split-Interest Agreements, Net	154,483	-	-	154,483
Property and Equipment, Net	4,831,618	1,545,756	-	6,377,374
Cash and Investments, Endowment	13,572,318	-	-	13,572,318
	<u>\$ 26,925,840</u>	<u>\$ 1,632,226</u>	<u>\$ (1,622,799)</u>	<u>\$ 26,935,267</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 336,256	\$ 9,427	\$ -	\$ 345,683
Deferred Revenue	16,935	-	-	16,935
Total Liabilities	<u>353,191</u>	<u>9,427</u>	<u>-</u>	<u>362,618</u>
NET ASSETS				
Unrestricted:				
Undesignated	7,818,233	77,043	(1,622,799)	6,272,477
Invested in Property and Equipment	4,831,618	1,545,756	-	6,377,374
Total Unrestricted	<u>12,649,851</u>	<u>1,622,799</u>	<u>(1,622,799)</u>	<u>12,649,851</u>
Temporarily Restricted	2,748,669	-	-	2,748,669
Permanently Restricted	11,174,129	-	-	11,174,129
Total Net Assets	<u>26,572,649</u>	<u>1,622,799</u>	<u>(1,622,799)</u>	<u>26,572,649</u>
Total Liabilities and Net Assets	<u>\$ 26,925,840</u>	<u>\$ 1,632,226</u>	<u>\$ (1,622,799)</u>	<u>\$ 26,935,267</u>

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES – UNRESTRICTED NET ASSETS
YEAR ENDED SEPTEMBER 30, 2017
(SEE INDEPENDENT AUDITORS' REPORT)

	Neighborhood Health Clinic, Inc.	12th and Goodlette, LLC	Eliminations	Total
SUPPORT AND REVENUES				
Contributions and Grants	\$ 2,039,402	\$ -	\$ -	\$ 2,039,402
Contributed Services and Supplies	5,836,695	-	-	5,836,695
Special Events Income	\$ 1,134,442			
Less: Direct Expenses	<u>(261,286)</u>	873,156	-	873,156
Rental Income	5,258	159,844	-	165,102
Loss on Investment in Subsidiary	(641,911)	-	641,911	-
Other Income	-	18	-	18
Investment Return	456,156	82	-	456,238
Total Support and Revenues	<u>8,568,756</u>	<u>159,944</u>	<u>641,911</u>	<u>9,370,611</u>
Net Assets Released from Restrictions	<u>693,626</u>	<u>-</u>	<u>-</u>	<u>693,626</u>
Total Support, Revenues, and Reclassifications	9,262,382	159,944	641,911	10,064,237
EXPENSES				
Program Services	7,585,454	72,906	-	7,658,360
Management and General	453,271	28	-	453,299
Fundraising	377,425	56,001	-	433,426
Total Expenses	<u>8,416,150</u>	<u>128,935</u>	<u>-</u>	<u>8,545,085</u>
Change in Value of Split-Interest Agreement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loss on Disposal of Fixed Assets	<u>-</u>	<u>672,920</u>	<u>-</u>	<u>672,920</u>
Total Expenses and Losses	<u>8,416,150</u>	<u>801,855</u>	<u>-</u>	<u>9,218,005</u>
CHANGE IN NET ASSETS	846,233	(641,911)	641,911	846,233
Transfers	<u>-</u>	<u>(1,085,695)</u>	<u>1,085,695</u>	<u>-</u>
Net Assets - Beginning of Year	<u>11,803,618</u>	<u>3,350,405</u>	<u>(3,350,405)</u>	<u>11,803,618</u>
NET ASSETS - END OF YEAR	<u>\$ 12,649,851</u>	<u>\$ 1,622,799</u>	<u>\$ (1,622,799)</u>	<u>\$ 12,649,851</u>

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES – TEMPORARILY RESTRICTED NET ASSETS
YEAR ENDED SEPTEMBER 30, 2017
(SEE INDEPENDENT AUDITORS' REPORT)

	Neighborhood Health Clinic, Inc.	12th and Goodlette, LLC	Eliminations	Total
SUPPORT AND REVENUES				
Contributions and Grants	\$ 152,196	\$ -	\$ -	\$ 152,196
Contributed Services and Supplies	-	-	-	-
Special Events Income	\$ -	-	-	-
Less: Direct Expenses	-	-	-	-
Rental Income	-	-	-	-
Gain on Investment in Subsidiary	-	-	-	-
Other Income	-	-	-	-
Investment Return	1,545,596	-	-	1,545,596
Total Support and Revenues	<u>1,697,792</u>	<u>-</u>	<u>-</u>	<u>1,697,792</u>
Net Assets Released from Restrictions	<u>(693,626)</u>	<u>-</u>	<u>-</u>	<u>(693,626)</u>
Total Support, Revenues, and and Reclassifications	1,004,166	-	-	1,004,166
EXPENSES				
Program Services	-	-	-	-
Management and General	-	-	-	-
Fundraising	-	-	-	-
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Value of Split-Interest Agreement	<u>29,201</u>	<u>-</u>	<u>-</u>	<u>29,201</u>
Loss on Disposal of Fixed Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses and Losses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	1,033,367	-	-	1,033,367
Net Assets - Beginning of Year	<u>1,715,302</u>	<u>-</u>	<u>-</u>	<u>1,715,302</u>
NET ASSETS - END OF YEAR	<u><u>\$ 2,748,669</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,748,669</u></u>

NEIGHBORHOOD HEALTH CLINIC, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENT OF ACTIVITIES – PERMANENTLY RESTRICTED NET ASSETS
YEAR ENDED SEPTEMBER 30, 2017
(SEE INDEPENDENT AUDITORS' REPORT)

	Neighborhood Health Clinic, Inc.	12th and Goodlette, LLC	Eliminations	Total
SUPPORT AND REVENUES				
Contributions and Grants	\$ 5,000	\$ -	\$ -	\$ 5,000
Contributed Services and Supplies	-	-	-	-
Special Events Income	\$ -			
Less: Direct Expenses	<u>-</u>			
Rental Income	-	-	-	-
Other Income	-	-	-	-
Investment Return	-	-	-	-
Total Support and Revenues	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Net Assets Released from Restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Support, Revenues, and and Reclassifications	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
EXPENSES				
Program Services	-	-	-	-
Management and General	-	-	-	-
Fundraising	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Value of Split-Interest Agreement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Net Assets - Beginning of Year	<u>11,169,129</u>	<u>-</u>	<u>-</u>	<u>11,169,129</u>
NET ASSETS - END OF YEAR	<u><u>\$ 11,174,129</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 11,174,129</u></u>