HOUSING ASSOCIATION AND DEVELOPMENT CORPORATION
(A Not-for-Profit Organization)

June 30, 2017 and 2016

Financial Statements and Independent Auditor's Report

CAMPBELL, RAPPOLD & YURASITS LLP
Certified Public Accountants
1033 South Cedar Crest Boulevard Allentown, PA 18103

C·R&Y CERTIFIED PUBLIC ACCOUNTANTS
CAMPBELL, RAPPOLD & YURASITS LLP

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Housing Association and Development Corporation
Allentown, PA

We have audited the accompanying financial statements of Housing Association and Development Corporation (a Not-for-Profit Organization) which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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MEMBERS: American Institute of Certified Public Accountants • Pennsylvania Institute of Certified Public Accountants

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Housing Association and Development Corporation as of June 30, 2017 and 2016, 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.

Campbell, Roppold & Yurasits LLP

November 16, 2017

HOUSING ASSOCIATION AND DEVELOPMENT CORPORATION
(A Not-for-Profit Organization)
STATEMENTS OF FINANCIAL POSITION
June 30, 2017 and 2016

	June 30, 2017	June 30, 2016
Assets		
Cash and Cash Equivalents	$ 125,061	$ 294,374
Cash and Cash Equivalents - Jordan Heights	60,000	-
Grants and Contracts Receivable	-	52,000
Miscellaneous Receivables	3,405	9,273
Mortgage Receivable (Note 2)	76,447	77,542
Escrow Deposits	-	38,920
Investments - Jordan Heights	445,000	445,000
Buildings and Equipment (Net of Accumulated Depreciation) (Note 3)	1,309,255	1,162,655
Construction in Progress (Note 4)	1,162,140	1,046,974
Total Assets	$ 3,181,308	$ 3,126,738
Liabilities		
Accounts Payable	$ 73,106	$ 116,452
Accrued Expenses	27,599	29,417
Payroll Taxes Accrued and Withheld	550	649
Deposits Payable	28,043	28,278
Lines of Credit (Note 6)	1,240,162	1,146,963
Notes and Loans Payable (Note 8)	1,825,499	1,698,995
Note Payable - Related Party (Note 7)	36,992	41,236
Total Liabilities	3,231,951	3,061,990
Net Assets		
Unrestricted	(278,197)	(285,543)
Temporarily Restricted (Note 9)	227,554	350,291
Total Net Assets	(50,643)	64,748
Total Liabilities and Net Assets	$ 3,181,308	$ 3,126,738

See independent auditor's report and notes to financial statements.

HOUSING ASSOCIATION AND DEVELOPMENT CORPORATION
(A Not-for-Profit Organization)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2017

	Unrestricted	Temporarily Restricted	Year Ended June 30, 2017
Revenue and Other Support			
Government Grants	$ -	$ 281,322	$ 281,322
NPP Grants	225,000	-	225,000
SPP Grants YouthBuild	-	100,000	100,000
Other Support - Private	75,768	129,381	205,149
Interest	5,923	-	5,923
Rentals	302,444	-	302,444
Sale of Properties	89,900	-	89,900
Net Assets Released from Restrictions	633,440	(633,440)	-
Total Revenue and Other Support	1,332,475	(122,737)	1,209,738
Expenses			
Payroll - Executive Director	80,000	-	80,000
Payroll - Property Management and Maintenance	150,563	-	150,563
Payroll - Office	188,981	-	188,981
Bank Fees	1,795	-	1,795
Closing Costs	6,453	-	6,453
Cost of Property Sales	95,167	-	95,167
Depreciation	69,832	-	69,832
Employee Benefits	178,887	-	178,887
Insurance	56,521	-	56,521
Interest	104,648	-	104,648
Office Supplies	5,842	-	5,842
Other Costs	24,285	-	24,285
Payroll Taxes	61,267	-	61,267
Postage and Printing	219	-	219
Pre-Development Costs	3,184	-	3,184
Professional Fees	27,203	-	27,203
Publications and Dues	1,281	-	1,281
Real Estate Taxes	2,868	-	2,868
Rental Costs	20,900	-	20,900
Repairs and Maintenance	83,520	-	83,520
Telephone	7,272	-	7,272
Tools and Equipment	1,933	-	1,933
Trash Removal	18,801	-	18,801
Travel	2,688	-	2,688
Utilities	50,020	-	50,020
Bad Debt	-	-	-
Impairment Loss	61,729	-	61,729
Stipends	19,270	-	19,270
Total Expenses	1,325,129	-	1,325,129
Change in Net Assets	7,346	(122,737)	(115,391)
Net Assets, Beginning of Year	(285,543)	350,291	64,748
Net Assets, End of Year	$ (278,197)	$ 227,554	$ (50,643)

See independent auditor's report and notes to financial statements.

HOUSING ASSOCIATION AND DEVELOPMENT CORPORATION
(A Not-for-Profit Organization)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Year Ended June 30, 2016
Revenue and Other Support			
Government Grants	$ 164,000	$ 544,722	$ 708,722
NPP Grants	375,000	-	375,000
SPP Grants YouthBuild	-	100,000	100,000
Other Support - Private	29,797	156,000	185,797
Interest	5,758	-	5,758
Rentals	307,792	-	307,792
Sale of Properties	312,800	-	312,800
Net Assets Released from Restrictions	450,431	(450,431)	-
Total Revenue and Other Support	1,645,578	350,291	1,995,869
Expenses			
Payroll - Executive Director	80,000	-	80,000
Payroll - Property Management and Maintenance	179,479	-	179,479
Payroll - Office	151,274	-	151,274
Bank Fees	762	-	762
Closing Costs	39,214	-	39,214
Cost of Property Sales	557,002	-	557,002
Depreciation	67,442	-	67,442
Employee Benefits	230,273	-	230,273
Insurance	46,107	-	46,107
Interest	100,976	-	100,976
Office Supplies	6,572	-	6,572
Other Costs	20,430	-	20,430
Payroll Taxes	70,714	-	70,714
Postage and Printing	339	-	339
Pre-Development Costs	(1,447)	-	(1,447)
Professional Fees	23,089	-	23,089
Publications and Dues	1,219	-	1,219
Real Estate Taxes	8,824	-	8,824
Rental Costs	20,441	-	20,441
Repairs and Maintenance	51,466	-	51,466
Telephone	9,413	-	9,413
Tools and Equipment	7,790	-	7,790
Trash Removal	10,788	-	10,788
Travel	2,155	-	2,155
Utilities	43,849	-	43,849
Bad Debt	25,712	-	25,712
Impairment Loss	276,989	-	276,989
Stipends	-	-	-
Total Expenses	2,030,872	-	2,030,872
Change in Net Assets	(385,294)	350,291	(35,003)
Net Assets, Beginning of Year	99,751	-	99,751
Net Assets, End of Year	$ (285,543)	$ 350,291	$ 64,748

See independent auditor's report and notes to financial statements.

HOUSING ASSOCIATION AND DEVELOPMENT CORPORATION
(A Not-for-Profit Organization)
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2017 and 2016

	Year Ended June 30, 2017	Year Ended June 30, 2016
Cash Flows from Operating Activities		
Change in Net Assets	$ (115,391)	$ (35,003)
Adjustments to Reconciled Change in Net Assets to Net Cash Used by Operating Activities		
Depreciation	69,832	67,442
Bad Debt Expense	-	25,712
(Gain) Loss on Sale of Properties	(1,874)	238,536
Impairment Loss on Properties	61,729	276,989
(Increase) Decrease in Assets:		
Construction in Progress	(340,232)	(742,936)
Grants and Contracts Receivable	52,000	(10,000)
Miscellaneous Receivables	5,868	(3,119)
Mortgage Receivable	1,095	1,030
Escrow Deposits	38,920	(20,070)
Increase (Decrease) in Liabilities:		
Accounts Payable	(43,346)	(6,073)
Accrued Expenses	(1,818)	7,794
Payroll Taxes Accrued and Withheld	(99)	(1,278)
Deposits Payable	(235)	1,931
Net Cash Used by Operating Activities	(273,551)	(199,045)
Cash Flows from Investing Activities		
Purchase of Equipment	(45,876)	-
Purchase of Rental Property Improvements	(43,027)	(46,348)
Purchase of Properties	(52,218)	-
Proceeds from Sale of Properties	89,900	312,800
Net Cash Provided (Used) by Investing Activities	(51,221)	266,452
Cash Flows from Financing Activities		
Borrowings on Lines of Credit	492,231	905,790
Borrowings on Long Term Debt	164,927	139,673
Repayments on Lines of Credit	(399,032)	(569,871)
Repayments on Long Term Debt	(38,423)	(278,148)
Repayments on Related Party Borrowing	(4,244)	(4,611)
Net Cash Provided by Financing Activities	215,459	192,833
Net Increase (Decrease) in Cash and Cash Equivalents	(109,313)	260,240
Cash and Cash Equivalents, Beginning of Year	294,374	34,134
Cash and Cash Equivalents, End of Year	$ 185,061	$ 294,374

Additional Disclosure of Cash Flows:

Interest Paid	$ 104,648	$ 100,976

See independent auditor's report and notes to financial statements.

1. Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The Housing Association and Development Corporation (the "Organization") is an organization incorporated under the laws of the Commonwealth of Pennsylvania as a non-profit organization. The Organization operates under an Executive Director and an appointed (18) eighteen member Executive Board.

The program goal of the Organization is to eliminate blighted housing conditions in the City of Allentown's neighborhoods and to increase availability of housing opportunities for lower income residents. The Housing Association and Development Corporation purchases vacant, deteriorated residential properties within the city and totally rehabilitates the units and resells or rents the renovated properties.

The Organization participates in the Commonwealth of Pennsylvania's Department of Community and Economic Development Contract for Neighborhood Partnership Program, which effectively provides authorization to the Organization to solicit and receive contributions for which a tax credit is granted to the contributor. A contract commenced concurrent with the fiscal year of the Organization.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting and reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted net assets.

Unrestricted Net Assets - not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by actions of the Board of Directors.

Temporarily Restricted Net Assets - subject to donor-imposed stipulations that may be fulfilled by the actions of the Board of Directors to meet the stipulations or become unrestricted at the date specified by the donor.

Permanently Restricted Net Assets - subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income for general or specific purposes. The Organization currently does not have any permanently restricted net assets.

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents, as presented on the statement of cash flows, includes all checking and savings accounts, money markets and short term highly liquid investments with a maturity of three months or less at the time of the purchase.

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts.

Grants and Contracts Receivable

Grants and contracts receivable represent grants and contracts due from cities, counties, states, and various sources. Grants and contracts receivable are stated at an amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its historical collection trends. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants and contracts receivable. Management has determined that no allowance is necessary at June 30, 2017 and 2016 .

Investments

Investments in insured or federally backed instruments with readily determinable fair values based on quoted prices in active markets are carried at cost based on the Organization's accounting method. These investments represent a pool of capital from various investors/lenders participating in the Jordan Heights Neighborhood Development Investment Fund who have entered into an investor agreement to provide security for a line or lines of credit which will permit the Organization to secure bridge financing until funding from approved funding sources are available. It is anticipated that the investment will be returned to the investor and therefore an offsetting liability is recorded as described in Note 8 as J.H. Fund.

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Buildings and Equipment

Buildings and equipment are stated at cost and include expenditures for new equipment, major betterments, and renewals costing $500 or more. Depreciation and amortization are provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, which range from 5 to 30 years. The Organization uses the straight-line method of computing depreciation and amortization. Maintenance and repair costs are expensed as incurred.

Contributions

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of revenues and expenses and changes in net assets as net assets released from restrictions.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

All contributions, legacies and bequests are considered to be available for unrestricted use unless specifically restricted by the donor.

Income Taxes

The Organization is a non-profit organization exempt from income taxes under section 501(c)(3) of the internal revenue code.

The accounting standard for uncertainty in income taxes addresses the determination of whether tax benefits claims or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefits from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits or liabilities recorded for the fiscal year 2017 and 2016.

The Organization files its 990 with the United States Internal Revenue Service and with the Bureau of Charitable Organizations in Pennsylvania.

2. Mortgage Receivable

The Organization sold its 416 Oak Street property on December 3, 2013, and is providing seller financing to the purchaser. As of June 30, 2017 and 2016, the mortgage receivable balance due to the Organization is $76,447 and $77,542, respectively. The following are maturities of the mortgage receivable for the years ended June 30:

2018	3,570
2019	72,877
	$ 76,447

3. Buildings and Equipment

Buildings and equipment consists of the following:

	June 30, 2017	June 30, 2016
Buildings	$ 1,799,998	$ 1,649,871
Building Improvement and Equipment	312,453	292,025
Appliances	28,355	28,355
Office Equipment	9,671	9,671
Construction Equipment	179,503	133,627
	2,329,980	2,113,549
Less: Accumulated Depreciation	(1,020,725)	(950,894)
	$ 1,309,255	$ 1,162,655

Depreciation charged to expense was $69,832 and $67,442 for the years ended June 30, 2017 and 2016, respectively.

4. Construction in Progress

The Organization's acquisition costs and costs to renovate and rehabilitate housing for a potential sale or rental are capitalized as the project progresses. Upon a sale of a renovated property, the Organization recognizes the actual cost to renovate and rehabilitate. The Organization's unrecovered acquisition, renovation, and construction costs were $1,162,140 and 1,046,974 at June 30, 2017 and 2016, respectively, which includes a $61,729 and $276,989 impairment for the years 2017 and 2016, respectively (see Note 5).

5. Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the asset, a loss is recognized for the difference between the fair value and the carrying value of the asset. Impairment losses of $61,729 and $276,989 have been recognized in the accompanying financial statements for construction in progress assets based upon the anticipated sale price for the homes, for the years ended June 30, 2017 and 2016, respectively.

6. Lines of Credit

The Organization has an available line of credit of $150,000 from Branch Bank & Trust, of which there was principal outstanding of $66,000 and $76,000 as of June 30, 2017 and 2016, respectively. Interest is payable on the outstanding balance at a rate of 4.5%. The credit line is secured by a mortgage on 508-510 Chew Street, 451 W. Liberty Street, 520 Fountain Street and 636 N. Fair Street, City of Allentown, County of Lehigh, PA as pledged by the Guarantor.

The Organization has an available line of credit of $250,000 from PNC Bank, National Association, of which there was principal outstanding of $105,862 as of June 30, 2017 and 2016. Interest is payable on the outstanding balance at a rate of 2.25%. The credit line is currently unsecured.

The Organization has an available line of credit of $300,000 from The Provident Bank, of which there was principal outstanding of $43,500 and $118,500 as of June 30, 2017 and 2016, respectively. Interest is payable on the outstanding balance at a rate of 4.5%. The line of credit is secured by a mortgage on 441 W. Liberty Street, City of Allentown, County of Lehigh, PA as pledged by the Guarantor.

The Organization has an available line of credit from Key Bank up to the lesser of $500,000 or collateral pledged. There was principal outstanding of $458,000 and $435,000 as of June 30, 2017 and 2016, respectively. Interest is payable on the outstanding balance at a variable interest rate, 3.18% at June 30, 2017. The credit line is secured by the assets held in a brokerage account with LPL Financial LLC. (See Note 1 - Investments).

6. Lines of Credit (Continued)

The Organization has an available line of credit of $340,000 from PNC Bank, National Association, of which there was principal outstanding of $316,800 as of June 30, 2017 and 2016. Interest is payable on the outstanding balance at a rate 3.5%. The credit line is secured by the North Street properties.

The Organization has an available non-interest bearing line of credit of $250,000 from Redevelopment Authority of the City of Allentown, of which there was principal outstanding of $250,000 and $35,000 as of June 30, 2017 and 2016, respectively. The credit line is secured by various properties in the Old Allentown Fairgrounds area.

The Organization has an available line of credit of $70,000 from Wells Fargo Bank, of which there was principal outstanding of $-0- and $39,874 as of June 30, 2017 and 2016 respectively. Interest is payable on the outstanding balance at a rate of 13.25%. The credit line is currently unsecured.

The Organization had available a line of credit of $20,000 from The Provident Bank, of which there was principal outstanding of $19,927 at June 30, 2016. Interest was payable at 4.25% interest, and the line was secured by a mortgage on 441 W. Liberty Street, City of Allentown, County of Lehigh, PA as pledged by the Guarantor. The line of credit was termed out at the June 30, 2016 principal balance of $19,927. The new loan bears interest at a rate of 4.25%. Payments commenced September 30, 2016.

Total principal outstanding on the Organization's available lines of credit amounted to $1,240,162 and $1,127,036 at June 30, 2017 and 2016, respectively.

Interest expense on the lines of credit was $45,046 and $42,465 for the years ended June 30, 2017 and 2016, respectively.

7. Note Payable - Related Party

The Organization has a loan payable to David and Carolyn Evans with a loan balance as of June 30, 2017 and 2016 of $36,992 and $41,236, respectively. David Evans is the Executive Director of the Organization. The loan is unsecured and is payable on demand at a variable rate based upon index plus a margin of 1.00%, with a floor of 4.00%. The interest rate at June 30, 2017 was 4.25%.

8. Notes and Loans Payable

The Organization had notes and loans payable to various lenders for the following respective properties:

		June 30,				
Lender	Property Description	2017 Balance	2016 Balance	Interest Rate (%)	Maturity Date	Monthly Payment
Admin						
J.H. Fund	N/A	$ 505,000	$ 445,000	1.00	11/20/2018	N/A
PNC Bank, NA	428 Oak Street	39,378	41,479	3.23	1/9/2017	$ 284
		544,378	486,479			
Rehab						
The Provident Bank	Equipment	16,906	-	4.25	8/30/2021	369
The Provident Bank	416 Oak Street	72,683	74,568	4.75	12/31/2018	453
		89,589	74,568			
Rentals						
Key Bank	Various	716,244	735,086	4.50	4/15/2019	4,333
New Tripoli Bank	326 & 334 N Church St	84,245	-	3.75	3/10/2037	504
The Provident Bank	519 Chew Street	84,618	87,239	6.00	1/28/2035	655
New Tripoli Bank	Various	306,425	315,623	Variable	7/29/2035	2,013
		1,191,532	1,137,948			
	Total	$ 1,825,499	$ 1,698,995			

Interest expense on the loans was $59,602 and $58,511 for the years ended June 30, 2017 and 2016, respectively.

Long term debt maturities are as follows:

Year ending June 30,	
2018	$ 80,979
2019	1,292,046
2020	21,299
2021	22,319
2022	19,673
Thereafter	389,183
	$ 1,825,499

9. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	June 30, 2017	June 30, 2016
Youth Build Program	$ 14,124	$ 99,029
Rehab Properties	213,430	251,262
Total	$ 227,554	$ 350,291

10. Savings Plan

The Organization provides its employees with the option of participating in a 403(b) savings plan. The cost to the Organization for this plan was $-0- for the years ending June 30, 2017 and 2016.

11. Lease Commitments

The Organization leases a copier under a multi-year operating lease expiring in September, 2019. Yearly rental expense for the years ended June 30, 2017 and 2016 was $2,580. Future obligations of the Organization's long-term leases as of June 30, 2017 are:

Year ending June 30,	
2018	$ 2,580
2019	2,580
2020	645
	$ 5,805

12. Reclassifications

During the fiscal year ended June 30, 2017 it was determined that purpose restrictions in the amount of $174,217 were previously satisfied as of June 30, 2016. As a result, the financial statements herein includes a $174,217 reclassification of net assets from temporarily restricted to unrestricted as of June 30, 2016. Certain other prior year amounts have also been reclassified to conform to current year presentation. The changes have no effect on total reported net assets for the years ended June 30, 2017 or 2016.

13. Functional Expenses

The Statement of Activities and Change in Net Assets shows total expenses for the year ended June 30, 2017 and 2016. The allocation of expenses among program services, management and general, and fundraising is as follows:

	June 30, 2017	June 30, 2016
Program Services	$ 846,146	$ 1,484,886
Management and General	478,983	545,986
Fundraising	-	-
	$ 1,325,129	$ 2,030,872

The Organization's method for allocating expenses among functional reporting classifications, which cannot be specifically identified as program or supporting are based on estimates made for time spent by personnel between functions and other objective bases.

14. Subsequent Events

Management has considered events subsequent to June 30, 2017 that affect the Organization through November 16, 2017, the date the financial statements were available to be issued.