

HAND IN HAND/MANO EN MANO

FINANCIAL STATEMENTS

December 31, 2015 and 2014

HAND IN HAND/MANO EN MANO

FINANCIAL STATEMENTS

December 31, 2015 and 2014

CONTENTS

| | PAGE |
|--|-------------|
| Independent Auditor's Report | 1 and 2 |
| FINANCIAL STATEMENTS | |
| Exhibit A Statements of Financial Position | 3 |
| Exhibit B Statements of Activities and Changes in Net Assets | 4 and 5 |
| Exhibit C Statements of Cash Flows | 6 |
| Notes to the Financial Statements | 7 through 9 |
| SUPPLEMENTARY INFORMATION | |
| Schedule 1 Combining Statements of Financial Position | 10 and 11 |
| Schedule 2 Combining Statements of Activities and Changes in Net Assets | 12 and 13 |
| Schedule 3 Schedule of Expenses | 14 and 15 |



INDEPENDENT AUDITOR'S REPORT

Board of Directors
of Hand in Hand/Mano En Mano

Report on the Financial Statements

We have audited the accompanying financial statements of Hand in Hand/Mano En Mano, which comprise the statements of financial position as of December 31, 2015 and 2014, 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 from 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hand in Hand/Mano En Mano as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in Schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.



Certified Public Accountants

August 5, 2016
South Portland, Maine

HAND IN HAND/MANO EN MANO
STATEMENTS OF FINANCIAL POSITION

December 31, 2015

| ASSETS | 2015 | 2014 |
|--|---------------------|---------------------|
| CURRENT ASSETS | | |
| Cash - Unrestricted | \$ 82,074 | \$ 84,500 |
| Cash - Restricted (Note 4) | 36 | 3,004 |
| Cash - Escrows | | |
| Tax and Insurance | 2,347 | 2,706 |
| Replacement Reserve | 73,445 | 56,796 |
| Tenant Security Deposits | 3,295 | 3,400 |
| Total Cash | 161,197 | 150,406 |
| Accounts Receivable - Services | 15,823 | - |
| Total Current Assets | 177,020 | 150,406 |
| PROPERTY AND EQUIPMENT (Note 2) | | |
| Land | 111,255 | 111,255 |
| Building | 1,184,851 | 1,184,851 |
| Equipment | 24,709 | 31,526 |
| Total | 1,320,815 | 1,327,632 |
| Less Accumulated Depreciation | 148,166 | 115,943 |
| Net Property and Equipment | 1,172,649 | 1,211,689 |
| TOTAL ASSETS | \$ 1,349,669 | \$ 1,362,095 |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Tenant Security Deposits | \$ 3,295 | \$ 3,400 |
| Refundable Grant Funds (Note 8) | - | 7,295 |
| Current Portion of Long-term Debt | 13,979 | 13,377 |
| Total Current Liabilities | 17,274 | 24,072 |
| LONG-TERM LIABILITIES (Note 2) | | |
| Note Payable - Coastal Enterprises Inc. | 115,622 | 124,215 |
| Note Payable - USDA Rural Development | 156,927 | 161,711 |
| | 272,549 | 285,926 |
| Less Current Portion | 13,979 | 13,377 |
| Total Non-Current Liabilities | 258,570 | 272,549 |
| TOTAL LIABILITIES | 275,844 | 296,621 |
| NET ASSETS | | |
| Unrestricted Net Assets | 1,073,789 | 1,062,470 |
| Temporarily Restricted Net Assets (Note 4) | 36 | 3,004 |
| TOTAL NET ASSETS | 1,073,825 | 1,065,474 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 1,349,669 | \$ 1,362,095 |

See accompanying notes to the financial statements.

HAND IN HAND/MANO EN MANO

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2015

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> |
|-----------------------------------|---------------------|-----------------------------------|---------------------|
| INCOME | | | |
| Foundation Grants | \$ 52,000 | \$ 85,958 | \$ 137,958 |
| Contributions | 23,399 | 7,562 | 30,961 |
| Program Service Fees (Note 5) | 529,383 | 2,260 | 531,643 |
| Tenant Rent | 27,370 | - | 27,370 |
| Tenant Subsidy | 56,059 | - | 56,059 |
| Miscellaneous | 7,085 | - | 7,085 |
| Interest | 1,238 | - | 1,238 |
| | <u>696,534</u> | <u>95,780</u> | <u>792,314</u> |
| EXPENSES | | | |
| Administrative | 71,933 | - | 71,933 |
| Program Services | 483,461 | 98,748 | 582,209 |
| Maintenance | 23,396 | - | 23,396 |
| Utilities | 8,882 | - | 8,882 |
| Occupancy | 31,201 | - | 31,201 |
| Fundraising | 9,456 | - | 9,456 |
| Depreciation | 33,540 | - | 33,540 |
| Insurance | 8,447 | - | 8,447 |
| Real Estate Taxes | 5,000 | - | 5,000 |
| Interest | 9,899 | - | 9,899 |
| | <u>685,215</u> | <u>98,748</u> | <u>783,963</u> |
| Increase (Decrease) in Net Assets | 11,319 | (2,968) | 8,351 |
| Net Assets, Beginning of Year | <u>1,062,470</u> | <u>3,004</u> | <u>1,065,474</u> |
| Net Assets, End of Year | <u>\$ 1,073,789</u> | <u>\$ 36</u> | <u>\$ 1,073,825</u> |

See accompanying notes to the financial statements.

HAND IN HAND/MANO EN MANO

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2014

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> |
|-----------------------------------|---------------------|-----------------------------------|---------------------|
| INCOME | | | |
| Foundation Grants | \$ 109,989 | \$ - | \$ 109,989 |
| Contributions | 32,560 | 25 | 32,585 |
| Program Service Fees | 526,132 | - | 526,132 |
| Tenant Rent | 31,983 | - | 31,983 |
| Tenant Subsidy | 51,725 | - | 51,725 |
| Miscellaneous | 2,944 | - | 2,944 |
| Interest | 203 | - | 203 |
| | <u>755,536</u> | <u>25</u> | <u>755,561</u> |
| EXPENSES | | | |
| Administrative | 53,055 | - | 53,055 |
| Program Services | 568,065 | 2,000 | 570,065 |
| Maintenance | 18,547 | - | 18,547 |
| Utilities | 12,232 | - | 12,232 |
| Occupancy | 29,824 | - | 29,824 |
| Fundraising | 6,159 | - | 6,159 |
| Depreciation | 34,163 | - | 34,163 |
| Insurance | 7,395 | - | 7,395 |
| Real Estate Taxes | 5,000 | - | 5,000 |
| Interest | 10,150 | - | 10,150 |
| | <u>744,590</u> | <u>2,000</u> | <u>746,590</u> |
| Increase (Decrease) in Net Assets | 10,946 | (1,975) | 8,971 |
| Net Assets, Beginning of Year | <u>1,051,524</u> | <u>4,979</u> | <u>1,056,503</u> |
| Net Assets, End of Year | <u>\$ 1,062,470</u> | <u>\$ 3,004</u> | <u>\$ 1,065,474</u> |

See accompanying notes to the financial statements.

HAND IN HAND/MANO EN MANO

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2015 and 2014

| | <u>2015</u> | <u>2014</u> |
|--|------------------|------------------|
| Cash Flows from Operating Activities: | | |
| Increase in Net Assets | \$ 8,351 | \$ 8,971 |
| Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities: | | |
| Depreciation | 33,540 | 34,163 |
| Changes in Operating Assets and Liabilities: | | |
| Accounts Receivable | (15,823) | - |
| Accounts Payable | - | (1,769) |
| Refundable Grant Funds | (7,295) | 7,295 |
| Tenant Security Deposits | (105) | 500 |
| Net Cash Provided by Operating Activities | <u>18,668</u> | <u>49,160</u> |
| Cash Flows from Investing Activities: | | |
| Net Deposits to Restricted Escrows | (16,185) | (11,664) |
| Proceeds from (Purchases of) Property and Equipment | 5,500 | (10,167) |
| Net Cash Used by Investing Activities | <u>(10,685)</u> | <u>(21,831)</u> |
| Cash Flows from Financing Activities: | | |
| Repayment of Long-term Debt | (13,377) | (13,153) |
| Net Cash Used by Financing Activities | <u>(13,377)</u> | <u>(13,153)</u> |
| Net Increase (Decrease) in Cash | (5,394) | 14,176 |
| Cash at Beginning of Year | 87,504 | 73,328 |
| Cash at End of Year | <u>\$ 82,110</u> | <u>\$ 87,504</u> |
| Supplemental Disclosure of Cash Flows Information: | | |
| Cash Paid During the Year for: | | |
| Interest | <u>\$ 9,899</u> | <u>\$ 10,150</u> |

See accompanying notes to the financial statements.

HAND IN HAND/MANO EN MANO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Hand in Hand/Mano En Mano is a not-for-profit organization established to build a stronger community in Downeast Maine by working with diverse populations to provide affordable housing and educational opportunities, remove barriers to health and social services and advocate for social justice.

Method of Accounting - The financial statements of the organization are prepared on the accrual basis of accounting, and include only those assets, liabilities and results of operations which relate to Hand in Hand/Mano En Mano.

Property and Equipment - Property and equipment are stated at cost and are being depreciated using the straight-line method over their estimated useful lives. Repairs and maintenance are expensed and renewals are capitalized as incurred. When assets are retired or disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are reflected in income.

Income Taxes - No provision for taxes on income is made in the organization's financial statements since the organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions.

In accordance with accounting principles generally accepted in the United States of America, management has evaluated its exposure to material tax positions and determined that there are no such tax positions requiring accounting recognition. Informational returns filed by the Organization are subject to examination by the Internal Revenue Service for a period of three years. While no informational returns are currently being examined by the Internal Revenue Service, the three previous tax years remain open. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

Cash - For purposes of reporting cash flows, cash includes cash on hand and amounts due from banks. The statement of cash flows does not include restricted escrows and tenant security deposits in cash. Tenant security deposits are held in trust and may be returned to the tenants.

Grants and Contributions - Grants and contributions received are recorded as unrestricted, temporarily restricted or permanently restricted net assets depending on the existence or nature of any donor restrictions.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events - Subsequent events have been evaluated through August 5, 2016, the date the financial statements were available to be issued.

HAND IN HAND/MANO EN MANO

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

NOTE 2 - NOTES PAYABLE

The Organization has a loan with Coastal Enterprise Inc. The loan bears interest of 6.5% per annum and is secured by real property. During 2011, loan advances totaled \$133,919. During 2012, an additional \$28,102 was advanced under the loan. The loan balances at December 31, 2015 and 2014 were \$115,622 and \$124,215, respectively. The loan is being amortized as follows:

Monthly payments of \$1,653 are due through March 1, 2018, with all outstanding principal and interest due at that time.

The Organization has a mortgage loan with USDA - Rural Development. The loan bears interest of 1% per annum. Monthly payments of \$532 are due until the maturity date of March 1, 2044. The balance of the loan as of December 31, 2015 and 2014 was \$156,927 and \$161,711, respectively.

During 2015, the Organization obtained a line of credit in the amount of \$200,000 with Bar Harbor Bank & Trust (BHBT). The line of credit bears a variable rate of interest, which is 2.75% per annum above the U.S. Prime Rate. The line of credit matures annually and may be renewed at the request of the Organization, subject to review by BHBT. As of December 31, 2015, no funds were advanced under the line of credit.

Maturities of long-term debt for the next five years and thereafter are as follows:

| | |
|------------|-------------------|
| 2016 | \$ 13,979 |
| 2017 | 14,661 |
| 2018 | 101,623 |
| 2019 | 4,978 |
| 2020 | 5,029 |
| Thereafter | 132,279 |
| | <u>\$ 272,549</u> |

NOTE 3 - FUNCTIONAL EXPENSES

The costs of providing the program are summarized on a functional basis as follows:

| | <u>2015</u> | <u>2014</u> |
|----------------------------|-------------------|-------------------|
| Program Services | | |
| Program Expenses | \$ 682,980 | \$ 687,376 |
| Supporting Services | | |
| General and Administrative | 91,527 | 53,055 |
| Fundraising | 9,456 | 6,159 |
| | <u>\$ 783,963</u> | <u>\$ 746,590</u> |

HAND IN HAND/MANO EN MANO

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

NOTE 4 - TEMPORARILY RESTRICTED NET ASSETS

Temporary restrictions on net assets at December 31, 2015 and 2014 are related to funds raised from various grants and contributions. At December 31, 2015 and 2014, the Organization had \$26 and \$3,004, respectively, of cash on hand which could only be used for restricted activities of the Passamaquoddy Language and Culture Class project and \$10 of cash on hand which could only be used for restricted activities of the Maine State Tutor Corps.

NOTE 5 - PROGRAM SERVICES FEES

During 2015 and 2014, the Organization executed an agreement with the State of Maine Department of Education to provide a student centered educational summer program for the eligible children of migratory workers as documented by the Department of Education Maine Migrant Education Program, during the blueberry harvest in Washington County. Amounts received from the Maine Department of Education, included in program service fees, during 2015 and 2014 totaled \$270,500 and \$315,000, respectively.

NOTE 6 - RENTAL ASSISTANCE AGREEMENT

The Organization has entered into a rental assistance agreement with USDA, Rural Development which provides assistance for all apartment units.

NOTE 7 - COMMITMENT

The Organization has agreed to fund a replacement reserve account to fund expected future costs for its apartments as follows:

| | |
|---------------------|-------------------|
| Replacement Reserve | \$1,375 per month |
|---------------------|-------------------|

NOTE 8 - REFUNDABLE GRANT FUNDS

During 2014, the Organization entered into a grant agreement with the Maine Humanities Council and the Gilroy Trust to fund a High School Level Passamaquoddy Language and Culture Class project. Grant funds received for this project during 2014 totaled \$15,145, of which \$7,850 was used for project expenses. During 2015, the remaining balance of \$7,295 was used for project expenses.

NOTE 9 - RETIREMENT PLAN

During 2014, the Organization established a Simple IRA plan under Section 408(p) of the Internal Revenue Code for eligible employees. For each calendar year, the Organization will contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contribution up to a limit of 3% of the employee's compensation for the calendar year. Amounts contributed during 2015 and 2014 totaled \$8,206 and \$6,824, respectively.

SUPPLEMENTARY INFORMATION

HAND IN HAND/MANO EN MANO

COMBINING STATEMENT OF FINANCIAL POSITION

December 31, 2015

ASSETS

| | Operations | Apartments | Elimination | Total |
|---------------------------------------|---------------------|---------------------|-----------------------|---------------------|
| CURRENT ASSETS | | | | |
| Cash - Unrestricted | \$ 68,505 | \$ 13,569 | \$ - | \$ 82,074 |
| Cash - Restricted | 36 | - | - | 36 |
| Cash - Escrows | | | | |
| Tax and Insurance | - | 2,347 | - | 2,347 |
| Replacement Reserve | - | 73,445 | - | 73,445 |
| Tenant Security Deposits | - | 3,295 | - | 3,295 |
| Total Cash | 68,541 | 92,656 | - | 161,197 |
| Accounts Receivable - Services | 15,823 | - | - | 15,823 |
| Total Current Assets | 84,364 | 92,656 | - | 177,020 |
| PROPERTY AND EQUIPMENT | | | | |
| Land | - | 111,255 | - | 111,255 |
| Building | - | 1,184,851 | - | 1,184,851 |
| Equipment | - | 24,709 | - | 24,709 |
| Total | - | 1,320,815 | - | 1,320,815 |
| Less Accumulated Depreciation | - | 148,166 | - | 148,166 |
| Net Property and Equipment | - | 1,172,649 | - | 1,172,649 |
| OTHER ASSETS | | | | |
| Investment in Hand in Hand Apartments | 1,004,979 | - | (1,004,979) | - |
| Total Other Assets | 1,004,979 | - | (1,004,979) | - |
| TOTAL ASSETS | \$ 1,089,343 | \$ 1,265,305 | \$ (1,004,979) | \$ 1,349,669 |

LIABILITIES AND NET ASSETS

| | | | | |
|---|---------------------|---------------------|-----------------------|---------------------|
| CURRENT LIABILITIES | | | | |
| Tenant Security Deposits | \$ - | \$ 3,295 | \$ - | \$ 3,295 |
| Current Portion of Long-term Debt | - | 13,979 | - | 13,979 |
| Total Current Liabilities | - | 17,274 | - | 17,274 |
| LONG-TERM LIABILITIES | | | | |
| Note Payable - Coastal Enterprises Inc. | - | 115,622 | - | 115,622 |
| Note Payable - USDA Rural Development | - | 156,927 | - | 156,927 |
| Less Current Portion | - | 272,549 | - | 272,549 |
| Less Current Portion | - | 13,979 | - | 13,979 |
| Total Non-Current Liabilities | - | 258,570 | - | 258,570 |
| TOTAL LIABILITIES | - | 275,844 | - | 275,844 |
| NET ASSETS | | | | |
| Unrestricted Net Assets | 1,089,307 | 989,461 | (1,004,979) | 1,073,789 |
| Temporarily Restricted Net Assets | 36 | - | - | 36 |
| TOTAL NET ASSETS | 1,089,343 | 989,461 | (1,004,979) | 1,073,825 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 1,089,343 | \$ 1,265,305 | \$ (1,004,979) | \$ 1,349,669 |

HAND IN HAND/MANO EN MANO

COMBINING STATEMENT OF FINANCIAL POSITION

December 31, 2014

| ASSETS | | | | |
|--|---------------------|---------------------|-----------------------|---------------------|
| | Operations | Apartments | Elimination | Total |
| CURRENT ASSETS | | | | |
| Cash - Unrestricted | \$ 68,710 | \$ 15,790 | \$ - | \$ 84,500 |
| Cash - Restricted | 3,004 | - | - | 3,004 |
| Cash - Escrows | | | | |
| Tax and Insurance Escrow | - | 2,706 | - | 2,706 |
| Reserve Escrow | - | 56,796 | - | 56,796 |
| Tenant Security Deposits | - | 3,400 | - | 3,400 |
| Total Current Assets | 71,714 | 78,692 | - | 150,406 |
| PROPERTY AND EQUIPMENT | | | | |
| Land | - | 111,255 | - | 111,255 |
| Building | - | 1,184,851 | - | 1,184,851 |
| Equipment | 6,817 | 24,709 | - | 31,526 |
| Total | 6,817 | 1,320,815 | - | 1,327,632 |
| Less Accumulated Depreciation | 970 | 114,973 | - | 115,943 |
| Net Property and Equipment | 5,847 | 1,205,842 | - | 1,211,689 |
| OTHER ASSETS | | | | |
| Investment in Hand in Hand Apartments | 1,004,979 | - | (1,004,979) | - |
| Total Other Assets | 1,004,979 | - | (1,004,979) | - |
| TOTAL ASSETS | \$ 1,082,540 | \$ 1,284,534 | \$ (1,004,979) | \$ 1,362,095 |
| LIABILITIES AND NET ASSETS | | | | |
| CURRENT LIABILITIES | | | | |
| Tenant Security Deposits | \$ - | \$ 3,400 | \$ - | \$ 3,400 |
| Refundable Grant Funds | 7,295 | - | - | 7,295 |
| Current Portion of Long-term Debt | - | 13,377 | - | 13,377 |
| Total Current Liabilities | 7,295 | 16,777 | - | 24,072 |
| LONG-TERM LIABILITIES | | | | |
| Note Payable - Coastal Enterprises, Inc. | - | 124,215 | - | 124,215 |
| Notes Payable - USDA, Rural Development | - | 161,711 | - | 161,711 |
| | - | 285,926 | - | 285,926 |
| Less Current Portion | - | 13,377 | - | 13,377 |
| Total Non-Current Liabilities | - | 272,549 | - | 272,549 |
| TOTAL LIABILITIES | 7,295 | 289,326 | - | 296,621 |
| NET ASSETS | | | | |
| Unrestricted Net Assets | 1,072,241 | 995,208 | (1,004,979) | 1,062,470 |
| Temporarily Restricted Net Assets | 3,004 | - | - | 3,004 |
| TOTAL NET ASSETS | 1,075,245 | 995,208 | (1,004,979) | 1,065,474 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 1,082,540 | \$ 1,284,534 | \$ (1,004,979) | \$ 1,362,095 |

HAND IN HAND/MANO EN MANO

COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2015

| | <u>Operations</u> | <u>Apartments</u> | <u>Elimination</u> | <u>Total</u> |
|-----------------------------------|---------------------|-------------------|-----------------------|---------------------|
| INCOME | | | | |
| Foundation Grants | \$ 137,958 | \$ - | \$ - | \$ 137,958 |
| Contributions | 30,961 | - | - | 30,961 |
| Program Service Fees | 531,643 | - | - | 531,643 |
| Tenant Rent | - | 27,370 | - | 27,370 |
| Tenant Subsidy | - | 56,059 | - | 56,059 |
| Miscellaneous | 5,470 | 1,615 | - | 7,085 |
| Interest | 1,079 | 159 | - | 1,238 |
| | <u>707,111</u> | <u>85,203</u> | <u>-</u> | <u>792,314</u> |
| EXPENSES | | | | |
| Administrative | 63,401 | 8,532 | - | 71,933 |
| Program Services | 582,209 | - | - | 582,209 |
| Maintenance | - | 23,396 | - | 23,396 |
| Utilities | - | 8,882 | - | 8,882 |
| Occupancy | 31,201 | - | - | 31,201 |
| Fundraising | 9,456 | - | - | 9,456 |
| Depreciation | 347 | 33,193 | - | 33,540 |
| Insurance | 5,914 | 2,533 | - | 8,447 |
| Real Estate Taxes | - | 5,000 | - | 5,000 |
| Interest | 485 | 9,414 | - | 9,899 |
| | <u>693,013</u> | <u>90,950</u> | <u>-</u> | <u>783,963</u> |
| Increase (Decrease) in Net Assets | 14,098 | (5,747) | - | 8,351 |
| Net Assets, Beginning of Year | <u>1,075,245</u> | <u>995,208</u> | <u>(1,004,979)</u> | <u>1,065,474</u> |
| Net Assets, End of Year | <u>\$ 1,089,343</u> | <u>\$ 989,461</u> | <u>\$ (1,004,979)</u> | <u>\$ 1,073,825</u> |

HAND IN HAND/MANO EN MANO

COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2014

| | <u>Operations</u> | <u>Apartments</u> | <u>Elimination</u> | <u>Total</u> |
|-----------------------------------|---------------------|-------------------|-----------------------|---------------------|
| INCOME | | | | |
| Foundation Grants | \$ 109,989 | \$ - | \$ - | \$ 109,989 |
| Contributions | 32,585 | - | - | 32,585 |
| Program Service Fees | 526,132 | - | - | 526,132 |
| Tenant Rent | - | 31,983 | - | 31,983 |
| Tenant Subsidy | - | 51,725 | - | 51,725 |
| Miscellaneous | 626 | 2,318 | - | 2,944 |
| Interest | 166 | 37 | - | 203 |
| | <u>669,498</u> | <u>86,063</u> | <u>-</u> | <u>755,561</u> |
| EXPENSES | | | | |
| Administrative | 45,406 | 7,649 | - | 53,055 |
| Program Services | 570,065 | - | - | 570,065 |
| Maintenance | - | 18,547 | - | 18,547 |
| Utilities | - | 12,232 | - | 12,232 |
| Occupancy | 29,824 | - | - | 29,824 |
| Fundraising | 6,159 | - | - | 6,159 |
| Depreciation | 970 | 33,193 | - | 34,163 |
| Insurance | 4,910 | 2,485 | - | 7,395 |
| Real Estate Taxes | - | 5,000 | - | 5,000 |
| Interest | 657 | 9,493 | - | 10,150 |
| | <u>657,991</u> | <u>88,599</u> | <u>-</u> | <u>746,590</u> |
| Increase (Decrease) in Net Assets | 11,507 | (2,536) | - | 8,971 |
| Net Assets, Beginning of Year | 1,061,238 | 1,000,244 | (1,004,979) | 1,056,503 |
| Distributions | 2,500 | (2,500) | - | - |
| Net Assets, End of Year | <u>\$ 1,075,245</u> | <u>\$ 995,208</u> | <u>\$ (1,004,979)</u> | <u>\$ 1,065,474</u> |

SCHEDULE OF EXPENSES

For the Year Ended December 31, 2015

| | Operations | Apartments | Total |
|----------------------------|-------------------|------------------|-------------------|
| ADMINISTRATIVE | | | |
| Management Fees | \$ - | \$ 4,416 | \$ 4,416 |
| Advertising | - | 55 | 55 |
| Travel and Conferences | 7,129 | - | 7,129 |
| Audit | 2,500 | 2,650 | 5,150 |
| Accounting | 2,133 | - | 2,133 |
| Professional Fees | 7,695 | - | 7,695 |
| Legal | - | 60 | 60 |
| Information Technology | 6,247 | - | 6,247 |
| Wages | 29,550 | 1,080 | 30,630 |
| Payroll Taxes and Benefits | 3,861 | - | 3,861 |
| Office Expense | 3,328 | - | 3,328 |
| Other | 958 | 271 | 1,229 |
| Total Administrative | <u>63,401</u> | <u>8,532</u> | <u>71,933</u> |
| PROGRAM SERVICES | | | |
| Advertising | 82 | - | 82 |
| Travel and Conferences | 46,448 | - | 46,448 |
| Professional Fees | 50,010 | - | 50,010 |
| Information Technology | 9,001 | - | 9,001 |
| Scholarships | 9,000 | - | 9,000 |
| Wages | 369,899 | - | 369,899 |
| Payroll Taxes and Benefits | 48,337 | - | 48,337 |
| Grants | 8,000 | - | 8,000 |
| Adult Education | 9,282 | - | 9,282 |
| Office Expense | 15,318 | - | 15,318 |
| Other | 16,832 | - | 16,832 |
| Total Program Services | <u>582,209</u> | <u>-</u> | <u>582,209</u> |
| MAINTENANCE | | | |
| Caretaker Salary | - | 7,500 | 7,500 |
| Supplies | - | 1,833 | 1,833 |
| Contract | - | 10,155 | 10,155 |
| Painting and Decorating | - | 606 | 606 |
| Snow Removal | - | 2,187 | 2,187 |
| Grounds | - | 1,115 | 1,115 |
| Total Maintenance | <u>-</u> | <u>23,396</u> | <u>23,396</u> |
| UTILITIES | | | |
| Electric | - | 2,610 | 2,610 |
| Fuel | - | 4,282 | 4,282 |
| Garbage and Trash Removal | - | 1,390 | 1,390 |
| Sewer | - | 600 | 600 |
| Total Utilities | <u>-</u> | <u>8,882</u> | <u>8,882</u> |
| OCCUPANCY | | | |
| Total Occupancy | <u>31,201</u> | <u>-</u> | <u>31,201</u> |
| FUNDRAISING | | | |
| Advertising | 1,750 | - | 1,750 |
| Travel and Conferences | 344 | - | 344 |
| Professional Fees | 13 | - | 13 |
| Information Technology | 450 | - | 450 |
| Wages | 5,458 | - | 5,458 |
| Payroll Taxes and Benefits | 688 | - | 688 |
| Office Expense | 229 | - | 229 |
| Other | 524 | - | 524 |
| Total Fundraising | <u>9,456</u> | <u>-</u> | <u>9,456</u> |
| DEPRECIATION | | | |
| Total Depreciation | <u>347</u> | <u>33,193</u> | <u>33,540</u> |
| INSURANCE | | | |
| Total Insurance | <u>5,914</u> | <u>2,533</u> | <u>8,447</u> |
| REAL ESTATE TAXES | | | |
| Total Real Estate Taxes | <u>-</u> | <u>5,000</u> | <u>5,000</u> |
| INTEREST | | | |
| Total Interest | <u>485</u> | <u>9,414</u> | <u>9,899</u> |
| Total Expenses | <u>\$ 693,013</u> | <u>\$ 90,950</u> | <u>\$ 783,963</u> |

SCHEDULE OF EXPENSES

For the Year Ended December 31, 2014

| | Operations | Apartments | Total |
|----------------------------|-------------------|------------------|-------------------|
| ADMINISTRATIVE | | | |
| Management Fees | \$ - | \$ 4,200 | \$ 4,200 |
| Advertising | - | 44 | 44 |
| Travel and Conferences | 4,375 | - | 4,375 |
| Audit | 2,400 | 2,600 | 5,000 |
| Accounting | 3,382 | - | 3,382 |
| Information Technology | 3,031 | - | 3,031 |
| Wages | 20,213 | 800 | 21,013 |
| Payroll Taxes and Benefits | 3,132 | - | 3,132 |
| Other | 8,873 | 5 | 8,878 |
| Total Administrative | <u>45,406</u> | <u>7,649</u> | <u>53,055</u> |
| PROGRAM SERVICES | | | |
| Advertising | 132 | - | 132 |
| Travel and Conferences | 70,151 | - | 70,151 |
| Professional Fees | 22,079 | - | 22,079 |
| Information Technology | 14,413 | - | 14,413 |
| Scholarships | 12,000 | - | 12,000 |
| Wages | 352,527 | - | 352,527 |
| Payroll Taxes and Benefits | 46,135 | - | 46,135 |
| Contract Labor | 7,850 | - | 7,850 |
| Dues and Subscriptions | 15,047 | - | 15,047 |
| Other | 29,731 | - | 29,731 |
| Total Program Services | <u>570,065</u> | <u>-</u> | <u>570,065</u> |
| MAINTENANCE | | | |
| Caretaker Salary | - | 7,200 | 7,200 |
| Supplies | - | 447 | 447 |
| Contract | - | 7,703 | 7,703 |
| Painting and Decorating | - | 119 | 119 |
| Snow Removal | - | 818 | 818 |
| Grounds | - | 2,260 | 2,260 |
| Total Maintenance | <u>-</u> | <u>18,547</u> | <u>18,547</u> |
| UTILITIES | | | |
| Electric | - | 2,552 | 2,552 |
| Fuel | - | 7,866 | 7,866 |
| Garbage and Trash Removal | - | 1,814 | 1,814 |
| Total Utilities | <u>-</u> | <u>12,232</u> | <u>12,232</u> |
| OCCUPANCY | | | |
| Total Occupancy | <u>29,824</u> | <u>-</u> | <u>29,824</u> |
| FUNDRAISING | | | |
| Advertising | 330 | - | 330 |
| Travel and Conferences | 252 | - | 252 |
| Wages | 3,984 | - | 3,984 |
| Payroll Taxes and Benefits | 568 | - | 568 |
| Other | 1,025 | - | 1,025 |
| Total Fundraising | <u>6,159</u> | <u>-</u> | <u>6,159</u> |
| DEPRECIATION | | | |
| Total Depreciation | <u>970</u> | <u>33,193</u> | <u>34,163</u> |
| INSURANCE | | | |
| Total Insurance | <u>4,910</u> | <u>2,485</u> | <u>7,395</u> |
| REAL ESTATE TAXES | | | |
| Total Real Estate Taxes | <u>-</u> | <u>5,000</u> | <u>5,000</u> |
| INTEREST | | | |
| Total Interest | <u>657</u> | <u>9,493</u> | <u>10,150</u> |
| Total Expenses | <u>\$ 657,991</u> | <u>\$ 88,599</u> | <u>\$ 746,590</u> |