THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE

REPORT ON AUDIT OF
CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended June 30, 2013
(with comparable totals for 2012)

TABLE OF CONTENTS

Holyfield & Thomas, LLC
Certified Public Accountants & Advisors
125 Butler Street • West Palm Beach, FL 33407
(561) 689-6000 • Fax (561) 689-6001 • www.holyfieldandthomas.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Children's Place at Home Safe, Inc.
Lake Worth, Florida

We have audited the accompanying consolidated financial statements of The Children's Place at Home Safe, Inc. (a nonprofit organization d/b/a HomeSafe), which comprise the consolidated statement of financial position as of June 30, 2013, and the related consolidated statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Children's Place at Home Safe, Inc. as of June 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by *Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The schedule of expenditures of federal awards 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2013, on our consideration of The Children's Place at Home Safe, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Children's Place at Home Safe, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the June 30, 2012 financial statements, and our report dated November 12 2012, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Holyfield & Thomas, LLC

West Palm Beach, Florida
November 20, 2013

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of June 30, 2013
(with comparable totals for 2012)

	2013	2012
ASSETS		
Cash and cash equivalents	$ 134,057	$ 217,637
Accounts receivable	570,374	594,792
Pledges receivable, net	160,224	99,879
Prepaid expenses	28,384	50,600
Property and equipment, net	7,704,045	7,936,754
Split interest agreements	322,763	350,983
Deposits	7,445	7,445
Investments	2,308,267	2,254,217
Total assets	$ 11,235,559	$ 11,512,307
LIABILITIES AND NET ASSETS		
Accounts payable	$ 169,768	$ 166,567
Accrued expenses	299,131	313,925
Other liabilities	22,218	9,783
Line of credit	-	98,766
Total liabilities	491,117	589,041
Net assets:		
Unrestricted	8,070,694	8,432,744
Temporarily restricted	495,602	391,377
Permanently restricted	2,178,146	2,099,145
Total net assets	10,744,442	10,923,266
Total liabilities and net assets	$ 11,235,559	$ 11,512,307

See accompanying notes to consolidated financial statements.

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013
(with comparable totals for 2012)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2013 Totals	2012 Totals
Revenues and support:					
Program service	$ 6,524,510	$ -	$ -	$ 6,524,510	$ 6,821,958
Grants	16,187	329,896	-	346,083	446,319
Contributions	260,227	123,370	-	383,597	452,269
Special event revenue	494,835	-	-	494,835	359,562
Investment income, net	264	-	44,943	45,207	62,102
Realized and change in unrealized gain (loss)	15,442	-	93,664	109,106	(34,090)
Change in value of split interest agreements	-	(28,220)	-	(28,220)	34,503
Other income	698	-	-	698	44
Total revenues and support	7,312,163	425,046	138,607	7,875,816	8,142,667
Net assets released from restrictions	380,427	(320,821)	(59,606)	-	-
	7,692,590	104,225	79,001	7,875,816	8,142,667
Expenses:					
Program services	7,015,236	-	-	7,015,236	7,348,164
Supporting services:					
Management and general	549,997	-	-	549,997	553,252
Fundraising	489,407	-	-	489,407	459,605
Total expenses	8,054,640	-	-	8,054,640	8,361,021
Change in net assets	(362,050)	104,225	79,001	(178,824)	(218,354)
Net assets, beginning	8,432,744	391,377	2,099,145	10,923,266	11,141,620
Net assets, end	$ 8,070,694	$ 495,602	$ 2,178,146	$ 10,744,442	$ 10,923,266

See accompanying notes to consolidated financial statements.

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2013
(with comparable totals for 2012)

	2013	2012
Cash flows from operating activities:		
Cash received from government grants and contracts	$ 347,503	$ 527,473
Cash received from program services	6,524,510	6,821,958
Cash received from contributions and support	818,087	1,019,671
Cash paid to suppliers and employees	(7,644,463)	(8,067,866)
Other income	698	44
Interest received	45,207	76,432
Interest paid	(7,319)	(11,356)
Net cash provided by operating activities	84,223	366,356
Cash flows from investing activities:		
Purchase of property and equipment	(124,093)	(98,211)
Proceeds from sale of asset	-	1,200
Purchase of investments	(974,579)	(404,154)
Proceeds from sale of investments	1,029,635	417,806
Net cash used in investing activities	(69,037)	(83,359)
Cash flows from financing activities:		
Net payments on line of credit	(98,766)	(363,824)
Net cash used in financing activities	(98,766)	(363,824)
Net change in cash and cash equivalents	(83,580)	(80,827)
Cash and cash equivalents, beginning	217,637	298,464
Cash and cash equivalents, end	$ 134,057	$ 217,637

See accompanying notes to consolidated financial statements.

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2013
(with comparable totals for 2012)

	2013	2012
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	$ (178,824)	$ (218,354)
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Bad debt	22,998	58,581
Depreciation	348,831	355,935
Realized and change in unrealized (gain) loss	(109,106)	34,090
Change in value of split interest agreements	28,220	(34,503)
Loss on sale of asset	7,971	654
Decrease (increase) in certain assets:		
Accounts receivable	1,420	81,154
Pledges receivable	(60,345)	207,839
Prepaid expenses	22,216	35,498
Deposits	-	14,079
Increase (decrease) in certain liabilities:		
Accounts payable	3,201	12,267
Accrued expenses	(14,794)	(187,650)
Other liabilities	12,435	6,766
Net cash provided by operating activities	$ 84,223	$ 366,356

See accompanying notes to consolidated financial statements.

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2013
(with comparable totals for 2012)

	Program Services									
	Enhanced Group Home	Comprehensive Behavioral Health Assessment	SafetyNet	Healthy Beginnings	Specialized Therapeutic Group Homes	Total Program Services	Management and General	Fundraising	2013 Totals	2012 Totals
Personnel expenses:										
Salaries and wages	$ 524,838	$ 38,682	$ 168,144	$1,594,025	$ 2,048,479	$ 4,374,168	$ 213,475	$ 241,743	$ 4,829,386	$ 5,048,144
Payroll taxes	39,981	2,353	13,326	124,052	162,266	341,978	19,472	17,184	378,634	420,336
Employee benefits	75,748	10,129	15,813	177,576	285,693	564,959	39,885	23,912	628,756	666,067
Total personnel expenses	640,567	51,164	197,283	1,895,653	2,496,438	5,281,105	272,832	282,839	5,836,776	6,134,547
Operating expenses:										
Advertising	-	-	-	2,100	-	2,100	2,313	-	4,413	1,860
Appreciation	-	-	365	264	629	1,258	8,377	10,367	20,002	31,217
Bad debt	1,205	-	-	-	18,510	19,715	3,283	-	22,998	58,581
Travel and entertainment	15,441	-	2,334	41,983	60,183	119,941	9,365	61,125	190,431	163,362
Dues and subscriptions	2,963	64	338	7,607	10,867	21,839	3,182	493	25,514	21,473
Individual assistance	17,322	-	2,408	-	49,518	69,248	274	-	69,522	68,740
Insurance	26,744	648	5,185	64,904	111,336	208,817	27,315	6,769	242,901	223,111
Professional fees	27,164	79,267	16,048	46,503	112,928	281,910	62,720	28,081	372,711	374,429
Recruiting and retention	-	-	855	1,536	1,291	3,682	18,338	354	22,374	22,088
Rent	822	25	201	41,115	3,258	45,421	829	9,051	55,301	78,115
Repairs and maintenance	34,568	1,082	5,518	16,605	107,686	165,459	25,070	10,525	201,054	179,987
Service charges	644	20	170	2,133	2,538	5,505	12,407	5,203	23,115	19,571
Supplies	45,966	171	4,044	27,546	136,078	213,805	16,371	62,278	292,454	281,470
Utilities	44,059	1,903	7,423	98,555	130,608	282,548	36,116	7,579	326,243	346,535
Depreciation	88,909	7,590	7,590	20,932	167,862	292,883	51,205	4,743	348,831	355,935
Total expenses	$ 946,374	$ 141,934	$ 249,762	$2,267,436	$ 3,409,730	$ 7,015,236	$ 549,997	$ 489,407	$ 8,054,640	$ 8,361,021

See accompanying notes to consolidated financial statements.

1. Organization and Summary of Significant Accounting Policies

Basis of Presentation**:** The accompanying financial statements reflect the consolidated financial statements of The Children's Place at Home Safe, Inc. (d/b/a "HomeSafe") and The Children's Place at Home Safe Foundation, Inc. (the "Foundation"), (collectively the "Organization"), for which HomeSafe has both control and economic interest, as defined in Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-810, *Consolidation*, issued by the American Institute of Certified Public Accountants. All significant inter-organization accounts and transactions have been eliminated.

Organization and Nature of Activities: Since 1979, HomeSafe has been serving Palm Beach County and South Florida's most vulnerable citizens – victims of child abuse and domestic violence. HomeSafe offers comprehensive prevention and intervention programs to prepare children and families for safer, more productive lives. It is nationally accredited by the Council on Accreditation (COA) and certified by Nonprofits First, signifying compliance with standards of excellence in operations and management. Annually, HomeSafe serves more than 16,000 children and families, and is the only agency in Palm Beach County offering a complete array of mental health services for victims of childhood trauma through Enhanced and Specialized Therapeutic Residential programs. HomeSafe is the exclusive entry agency (for newborns to age 5) for Healthy Beginnings, a program of the Children's Services Council of Palm Beach County.

The Foundation was organized and operates exclusively for the benefit of HomeSafe. To carry out the mission of HomeSafe, the objectives are to: promote the mission, services, programs and general non-profit charitable activities of HomeSafe, as well as to solicit and accept contributions and grants from many individuals, corporations, foundations, civic organizations and government agencies.

Financial Statement Presentation: In accordance with FASB ASC 958-605, *Revenue Recognition*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Under the standard, contributions that are initially restricted as to time or use are required to be reported as temporarily restricted support and are later reclassified to unrestricted net assets upon expiration of the time or use restriction.

1. Organization and Summary of Significant Accounting Policies, continued

Under FASB ASC 958-205, *Presentation of Financial Statements*, the Organization reports information regarding its financial position and activities according to three classes of net assets described as follows:

Unrestricted Net Assets: includes those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transaction (except income and gains on assets that are restricted by donors or by law) are included in the unrestricted net assets.

Temporarily Restricted Net Assets: includes those net assets whose use by the Organization has been limited by donors to either a later period of time, or after specified dates, or for a specified purpose.

Permanently Restricted Net Assets: includes those net assets that must be maintained by the Organization in perpetuity. Permanently restricted net assets increase when the Organization receives contributions for which donor-imposed restrictions limiting the Organization's use of an asset or its economic benefits neither expire with the passage of time nor can be removed by the Organization meeting certain requirements.

Basis of Accounting: The consolidated financial statements of the Organizations have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

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.

Cash and Cash Equivalents: Cash and cash equivalents consist of cash held in checking and money market accounts, other than those held as a part of the Organization's investment portfolio.

Accounts Receivable: Accounts receivable consists of amounts due to the Organization under Medicaid, various state and local grants, promises to give from United Way, and other agencies. As of June 30, 2013, provisions for doubtful accounts were deemed unnecessary because the amounts are considered to be fully collectible.

Unconditional Promises to Give: Pledges receivable in the accompanying consolidated statement of financial position consist of donors' unconditional promises to give which are recognized at their net realizable value at the time the promises are received.

1. *Organization and Summary of Significant Accounting Policies, continued*

Property and Equipment and Depreciation: Property and equipment are recorded at cost for financial reporting purposes and depreciated using the straight-line method over the following useful lives:

Buildings and leasehold improvements	25-30 years
Furniture and equipment	5-15 years
Vehicles	5 years
Donated property	5-39 years

Generally, all expenditures for land, buildings and equipment in excess of $2,500 are capitalized. Exceptions to this policy result from requirements under grant agreements to capitalize property and equipment expenditures below the $2,500 threshold. Expenditures for maintenance, repairs and minor renewals are charged to operations as incurred. Donated assets are recorded at their fair market value as unrestricted contributions, in the absence of donor-imposed restrictions, at the date of donation.

Investments: Investments are comprised of publicly-traded mutual funds, common stocks, corporate bonds, and a bank money market fund. The funds are invested for long-term investment return. Under FASB ASC 958-320, *Investments - Debt and Equity Securities*, investments in marketable securities with readily-determinable fair values are reported at their fair values in the consolidated statement of financial position, with the amount of unrealized gains or losses on investments not previously recognized shown in the consolidated statement of activities. Investment income includes interest and dividends of $60,829 and investment fees of $15,622.

Impairment of Long-Lived Assets: In accordance with the provision of FASB ASC 360-10, *Property, Plant and Equipment*, the Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable.

Contributions: All contributions are considered available for the general programs of the Organization, unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily or permanently restricted support and increase the respective class of net assets. Investment income that is limited to specific uses by donor restrictions is reported as increases in unrestricted net assets if the restrictions are met in the same reporting period as the income is recognized.

1. <u>Organization and Summary of Significant Accounting Policies</u>, continued

In-kind Contributions and Contributed Services: In–kind contributions are reflected as contributions at their estimated fair value at date of donation. Non-monetary contributions are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. The Organization recognizes the fair value of contributed services received if such services (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. In addition, the Organization receives services from a large number of volunteers who give significant amounts of their time to the Organization's programs, fundraising campaigns, and management; however, such services do not meet the criteria for financial statement recognition and are therefore not included herein.

Functional Allocation of Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and activities benefited.

Advertising Costs: Advertising costs are expensed as incurred. Total expense for the year ended June 30, 2013 was $4,413, and consisted of recruiting advertising expenses.

Income Taxes: Both organizations, HomeSafe and the Foundation, are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and have been classified as publicly-supported organizations that are not private foundations under Section 509(a) of the Code. Income determined to be unrelated business taxable income (UBTI) would be taxable. There was no UBTI for the year ended June 30, 2013.

The Organization follows FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. This pronouncement seeks to reduce the diversity in practice associated with certain aspects of measurement and recognition in accounting for income taxes. It prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position that an entity takes or expects to take in a tax return. An entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold. The Organization assesses its income tax positions based on management's evaluation of the facts, circumstances and information available at the reporting date. The Organization uses the prescribed more likely than not threshold when making its assessment. The Organization has not accrued any interest expense or penalties related to tax positions. There are currently no open Federal or State tax years under audit.

Prior Year Summarized Information: The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2012, from which the summarized information was derived. Certain 2012 amounts have been reclassified to conform to 2013 classifications. Such reclassifications had no effect on the change in net assets as previously reported.

2. *Program Services*

The following is a description of the programs of HomeSafe:

Enhanced Group Home	Provides an intensive, community-based, licensed residential group home setting for children and adolescent boys, ages 13 through 18, who have a combination of emotional and behavioral problems and/or delinquency involvement. The program provides mental health and supportive services designed to meet the behavioral health treatment needs of victims of childhood trauma.
Comprehensive Behavioral Health Assessment	An in-depth and detailed assessment of a child's emotional, social, behavioral and developmental functioning within the family home, school, and community. This program ended in June 2013.
SafetyNet	Offers a full spectrum of services for victims of domestic violence, including year-round adult, teen and child support groups, individual therapy, crisis intervention, preventive education and court advocacy.
Healthy Beginnings	Program screens, assesses and provides early intervention services to at-risk children from birth to age five throughout Palm Beach County. It ensures identified needs are addressed through referrals to appropriate providers in the county.
Specialized Therapeutic Group Homes	Provides an intensive, community-based, licensed residential group home setting for children and adolescents, ages 9 through 18, who have a moderate to severe emotional trauma. The program also includes an array of mental health services that provide trauma-sensitive, innovative treatment to effectively respond to the complex and acute psychiatric and behavior issues brought about by the physical, sexual and emotional childhood trauma.

3. *Concentration of Credit Risk*

The Organization uses several financial institutions to maintain its cash, which at times may exceed FDIC insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risks on such cash.

The Organization also holds investments in various accounts with financial and brokerage institutions. As of June 30, 2013, approximately 88% of the Organization’s investments were held by one institution. Investment securities are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated financial statements.

4. ***Fair Value Measurements***

FASB ASC 820-10, *Fair Value Measurements and Disclosures*, requires assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

> *Level 1* - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
>
> *Level 2* – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, and
>
> *Level 3* – Inputs that are unobservable for the asset or liability.

Under FASB ASC 820-10, there are three general valuation techniques that may be used to measure fair value. There have been no changes in the methodology used as of June 30, 2013. The three approaches are as follows:

> *Market* – Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sales transactions, market trades, or other sources.
>
> *Cost* – Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost); and
>
> *Income* – Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts (includes present value techniques and option-pricing models). Net present value is an income approach where a stream of expected cash flows is discounted at an appropriate market interest rate.

The availability of observable inputs can vary and is affected by a wide variety of factors. To the extent that valuation is based on inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

4. ***Fair Value Measurements, continued***

The following table sets forth by level, within the fair value hierarchy, the Organization's assets measured at fair value on a recurring basis as of June 30, 2013:

	Assets at Fair Value as of June 30, 2013			
	Level 1	Level 2	Level 3	Total
Investments:				
Cash equivalents	$ 114,489	$ -	$ -	$ 114,489
Mutual funds	130,121	-	-	130,121
Commodities	63,120	-	-	63,120
Equity securities	943,301	-	-	943,301
Fixed income securities	1,057,236	-	-	1,057,236
	2,308,267	-	-	2,308,267
Split interest agreements	-	-	322,763	322,763
	$2,308,267	$ -	$ 322,763	$ 2,631,030

The table below sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the year ended June 30, 2013.

	Split Interest Agreements
Balance, beginning of year	$ 350,983
Total realized and change in unrealized losses	(28,220)
Contributions (settlements)	-
Balance, end of year	$ 322,763

FASB ASC 820-10 requires disclosure of quantitative information about the unobservable inputs used to measure Level 3 assets and liabilities. The following table provides information about the split interest agreements:

Valuation Techniques	Fair Value	Unobservable Inputs
Discounted cash flows	$ 322,763	Discount rate; life expectancy of income beneficiary

The Organization had no other financial instruments with recurring fair value measurements.

5. *Accounts Receivable*

Accounts receivable are deemed to be fully collectible by management and consist of the following as of June 30, 2013:

Medicaid/Magellan	$ 137,314
State of Florida, Office of Attorney General	3,755
Palm Beach County	12,896
Children's Services Council	206,765
ChildNet, Inc.	121,616
Other	88,028
Total accounts receivable	$ 570,374

6. *Pledges Receivable*

Pledges receivable consist of the following as of June 30, 2013:

Restricted pledges receivable	$ 82,500
Unrestricted pledges receivable	79,140
Total pledges receivable	161,640
Less discount on pledges	1,416
Net pledges receivable	$ 160,224

Pledges receivable are collectible as follows:	
In one year	$ 140,224
In one to five years	20,000
	$ 160,224

Pledges receivable have been discounted at a 6% annual rate of interest.

7. *Property and Equipment*

Property and equipment consist of the following as of June 30, 2013:

Land	$1,004,475
Buildings and leasehold improvements	8,842,333
Furniture and equipment	1,020,278
Vehicles	167,467
Donated property	98,060
Total	11,132,613
Less accumulated depreciation	3,428,568
Property and equipment, net	$7,704,045

7. Property and Equipment, continued

The Organization leases land in Lake Worth from Palm Beach County for $1 a year under a lease that expires in 2025. Buildings were constructed on this land in prior years. Upon termination of the lease, the Organization must remove all personal property, removable fixtures, and equipment from the premises and surrender the premises to the County. Buildings and improvements for this property total $1,536,895. Accumulated depreciation on these buildings and improvements was $745,551 as of June 30, 2013.

8. Split Interest Agreements

HomeSafe has been named the remainder beneficiary of four charitable remainder trusts. Each of the charitable remainder trusts provides for the payment of distributions of trust assets to the grantor's beneficiaries. Upon the death of the beneficiaries, a percentage of the remaining principal in the trusts will be distributed to HomeSafe. A non-current asset for the charitable remainder trusts has been recognized at the present value of the expected future cash flows discounted at rates ranging from 6% to 9%. The expected future cash flow of $322,763 is based on the fair market value of the trusts' principal as of June 30, 2013. Changes in the value of the trust have been reported in the statement of activities as increases (decreases) in temporarily restricted net assets.

9. Line of Credit

HomeSafe has $700,000 secured line of credit extended by a local bank. The line of credit is secured by a mortgage on HomeSafe's property located in Palm Beach County, Florida and is due an payable on June 17, 2016. The line of credit carried interest on the unpaid principal balance at the bank's prime rate, or 3.25% as of June 30, 2013. There was no outstanding balance on the line of credit as of June 30, 2013.

10. Commitments and Contingencies

Leases: The Organization conducts its operations from facilities that are leased under operating leases expiring at various dates through 2017. Additionally, the Organization leases office equipment under operating leases expiring in 2017. Future minimum lease payments under operating leases are as follows:

2014	$ 29,632
2015	14,388
2016	14,388
2017	13,189
Total	$ 71,597

Rent expense under operating leases amounted to $55,301 for the year ended June 30, 2013.

10. __Commitments and Contingencies__, continued

Contingencies: HomeSafe is currently receiving, and has received in the past, grants, Medicaid, and other third party reimbursement funds, which are subject to special compliance audits by the grantor and other agencies that provided these reimbursements. These audits may result in disallowed expense amounts.

Disallowed amounts, if any, constitute a contingent liability of HomeSafe. HomeSafe believes any contingent liabilities that may exist are not material, and, therefore, are not reflected in the consolidated financial statements.

11. __Uncertainty__

On June 29, 2009, HomeSafe was named a defendant in two potential claims, which originated in 2006. HomeSafe is required by the State of Florida to carry general liability insurance with minimum coverage of $1 million per claim and $3 million per incident. The statutory caps are $1 million for net economic damages and $200,000 for non-economic damages.

On February 19, 2012 an incident occurred with one of HomeSafe's clients. HomeSafe is required by the State of Florida to carry general liability insurance with minimum coverage of $1 million per claim and $3 million per incident. The statutory caps are $1 million for net economic damages and $200,000 for non-economic damages. Subsequent to June 30, 2013, this claim was settled at mediation for an undisclosed amount.

On October 29, 2012, HomeSafe was named as a defendant in Equal Employment Opportunity Commission (EEOC) claim by a past employee. HomeSafe carries insurance in these cases with a deductible of $25,000 and limit of $5 million. As of the date of this report, there is no determination from the EEOC.

Should these claims result in a lawsuit, HomeSafe is protected by the statutory caps on recovery and has insurance in place for such purposes. HomeSafe maintains coverage well in excess of these minimums and it is management's opinion that the ultimate liability, if any, from the final resolution of these matters will not have a material effect on the Organization's consolidated financial statements.

12. __Retirement Plan__

Eligible employees of the Organization may participate in an Internal Revenue Code 403(b) retirement savings plan. In addition to employee deferrals, the plan also allows for the Organization to make discretionary matching contributions to eligible participants. The Organization did not contribute to this plan during the year ended June 30, 2013.

13. Temporarily Restricted Net Assets

As of June 30, 2013, temporarily restricted net assets consisted of:

Use restrictions:	
HomeSafe programs	$ 90,339
Time restrictions:	
Pledges receivables	82,500
Split interest agreements	322,763
Total temporarily restricted net assets	$ 495,602

14. Permanently Restricted Net Assets

As of June 30, 2013, permanently restricted net assets consisted of:

Endowment for program operations	$1,172,670
Endowment for property and plant renewal, renovation and maintenance of the Sylvester campus	1,005,476
Total permanently restricted net assets	$2,178,146

15. Endowments

The Organization's endowments consist of several individual funds established for a variety of purposes and are all held within the Foundation. The endowments are donor-restricted to be held for a specific purpose or in perpetuity and earnings on the endowments are temporarily restricted based on the donors' intent. FASB ASC 958, *Not-for-Profit Entities*, provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and improves disclosures about an organization's endowment funds (both donor-restricted endowment funds and Board-designated endowment funds), whether or not the organization is subject to UPMIFA.

The State of Florida adopted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA), which became effective July 1, 2012, and provides a) consistent investment and spending standards to all forms of charitable funds, b) strengthens the concept of prudent investing, c) abandons historic dollar value as a floor for expenditures and provides more flexibility to the organization in making decisions about whether to expend any portion of an endowment fund, and d) provides a process for the release or modification of restrictions on a gift instrument. The adoption by Foundation of the provisions of the new law did not have a significant change in its management and investment policies of endowments.

15. Endowments, continued

As a result of this standard, the Foundation 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.

The Foundation has adopted conservative investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments, while seeking to maintain the purchasing power of the endowment assets. Under this policy, the endowment assets are invested in a manner that is intended to produce results while assuming a moderate level of investment risk.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation utilizes the services of a financial advisor who provides input into the investment strategy policy.

The Foundation’s annual appropriations are at the discretion of the Board of Directors unless specific instructions are provided by the endowment donors.

The changes in endowment net assets for the year ended June 30, 2013 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning	$ -	$ 40,394	$ 2,099,145	$2,139,539
Investment return:				
Investment income	-	-	60,565	60,565
Investment expenses	-	-	(15,622)	(15,622)
Realized and change in unrealized gain (loss)	-	-	93,664	93,664
Appropriation for expenditure	-	-	(100,000)	(100,000)
Other changes:				
Transfers to correct balance of endowment funds	-	(40,394)	40,394	-
Endowment net assets, ending	$ -	$ -	$ 2,178,146	$ 2,178,146

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the donor requires the Foundation to retain as a fund of perpetual duration. There were no such funds as of June 30, 2013 below the level required by donors.

16. *Prior Period Adjustment*

During 2013, management discovered that the Foundation's interest in the split interest agreements were overstated in previous years. The effect of making the adjustment on the previously reported net assets as of June 30, 2012, and the change in net assets for the year then ended are presented in the table below:

	Net Assets As of June 30, 2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
As previously reported	$ 8,432,744	$ 659,961	$ 2,099,145	$11,191,850
Split interest agreements adjustment	-	(268,584)	-	(268,584)
As restated	$ 8,432,744	$ 391,377	$ 2,099,145	$10,923,266

Change in net assets for the year ended June 30, 2012:	
As previously reported	$ (137,378)
Split interest agreements adjustment	(80,976)
As restated	$ (218,354)

17. *Subsequent Events*

The Organization has evaluated subsequent events through November 20, 2013, which is the date the consolidated financial statements were available to be issued. Management is not aware of any events that have occurred subsequent to the consolidated statement of financial position date that would require adjustment to, or disclosure in, the consolidated financial statements.

Holyfield & Thomas, LLC
Certified Public Accountants & Advisors
125 Butler Street • West Palm Beach, FL 33407
(561) 689-6000 • Fax (561) 689-6001 • www.holyfieldandthomas.com

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
The Children's Place at Home Safe, Inc.
Lake Worth, Florida

We have audited the consolidated financial statements of The Children's Place at Home Safe, Inc. (d/b/a HomeSafe) as of and for the year ended June 30, 2013, and have issued our report thereon dated November 20, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The Children's Place at Home Safe, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Children's Place at Home Safe, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of The Children's Place at Home Safe, Inc.'s internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Children's Place at Home Safe, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the audit committee, Board of Directors, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Holyfield & Thomas, LLC

West Palm Beach, Florida
November 20, 2013

Holyfield & Thomas, LLC
Certified Public Accountants & Advisors
125 Butler Street • West Palm Beach, FL 33407
(561) 689-6000 • Fax (561) 689-6001 • www.holyfieldandthomas.com

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH *OMB CIRCULAR A-133*

To the Board of Directors of
The Children's Place at Home Safe, Inc. and
Lake Worth, Florida

Report on Compliance for Each Major Federal Program

We have audited The Children's Place at Home Safe, Inc.'s compliance with the types of compliance requirements described in the Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of The Children's Place at Home Safe, Inc.'s major federal programs for the year ended June 30, 2013. The Children's Place at Home Safe, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of The Children's Place at Home Safe, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Children's Place at Home Safe, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of The Children's Place at Home Safe, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, The Children's Place at Home Safe, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of The Children's Place at Home Safe, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The Children's Place at Home Safe, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Children's Place at Home Safe, Inc.'s internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Holyfield & Thomas, LLC

West Palm Beach, Florida
November 20, 2013

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2013

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Federal and State Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance on major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 501(a) of Circular A-133?	No
Major programs:	U.S. Department of Health and Human Services
CFDA Number	93.658
Name of Federal Program or Cluster:	Foster Care – Title IV
CFDA Number	93.667
Name of Federal Program or Cluster:	Social Services Block Grant
Dollar Threshold used to distinguish between type A and type B programs:	$ 300,000
Auditee qualified as a low-risk auditee?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS

There are no findings reported for the year ended June 30, 2013.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no findings or questioned costs for the year ended June 30, 2013.

CORRECTIVE ACTIION PLAN

There is no corrective action plan required, as there are no findings or question costs reported for the year ended June 30, 2013.

PRIOR YEAR FINDINGS

There were no prior audit findings for the year ended June 30, 2012, relative to federal awards requiring action on the part of the auditee for that fiscal year.

SUPPLEMENTARY INFORMATION

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2013

Federal Grantor Pass-through Entity Federal Program Title	CFDA Number	Award Number	Federal Expenditures
U.S. Department of Health and Human Services (DHHS)			
Pass-through Child and Family Connections, Inc./ChildNet, Inc.:			
Foster Care Title IV-E	93.658	GHHB013; GHLIB013	$ 348,953
Social Services Block Grant	93.667	GHHB013; GHLIB013	232,482
Pass-through Children Network of Southwest Florida:			
Foster Care Title IV-E	93.658	SAJ04	39,878
Social Services Block Grant	93.667	SAJ04	26,434
Pass-through Heartland for Children:			
Foster Care Title IV-E	93.658	RA-ICP012	6,850
Social Services Block Grant	93.667	RA-ICP012	5,454
Pass-through Family Support Services of North Florida:			
Foster Care Title IV-E	93.658		2,586
Social Services Block Grant	93.667		1,714
Pass-through United for Families:			
Foster Care Title IV-E	93.658	UA442; UA445	59,300
Social Services Block Grant	93.667	UA442; UA445	52,193
Pass-through Children's Services Council:			
Medical Assistance Program (Medicaid; Title XIX)	93.778	609; 648	157,440
Maternal and Child Health Services Block Grant	93.994	609; 648	201,219
Pass-through Department of Children and Families:			
Temporary Assistance For Needy Families (TANF)	93.558	SIH73	45,011
Social Services Block Grant	93.667	SIH73	2,909
Total DHHS			1,182,423
U.S. Department of Justice (DOJ)			
Passed-through Florida Office of the Attorney General:			
Victims of Crime Act	16.575	V11135 / V12135	47,215
Total expenditures of federal awards			$ 1,229,638

See independent auditor's report.

1. ***Basis of Presentation***

The purpose of the accompanying schedule of expenditures of federal awards is to present, in summary form, total federal award expenditures of The Children's Place at HomeSafe, Inc. for the year ended June 30, 2013. The schedule is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic consolidated financial statements.

2. ***Scope of Audit Pursuant to OMB Circular A-133***

All federal grant operations of The Children's Place at HomeSafe, Inc. are included in the scope of the Office of Management and Budget ("OMB") Circular A-133 Audit ("the Federal Single Audit"). The Federal Single Audit was performed in accordance with the provisions of the OMB Circular A-133 Compliance Supplement.

Programs tested as major federal programs were predominantly passed through Child and Family Connections, Inc. and ChildNet, Inc. and represent federal award programs with fiscal year 2013 expenditures totaling $778,753. Programs tested ensure coverage of at least 25 percent of federally granted funds. Actual coverage is approximately 55 percent of total federal award program expenditures.

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION

As of June 30, 2013

	HomeSafe	Foundation	Eliminations	Totals
ASSETS				
Cash and cash equivalents	$ 43,719	$ 90,338	$ -	$ 134,057
Accounts receivable	570,374	-	-	570,374
Pledges receivable, net	-	160,224	-	160,224
Prepaid expenses	18,384	10,000	-	28,384
Property and equipment, net	7,674,461	29,584	-	7,704,045
Split interest agreements	322,763	-	-	322,763
Deposits	7,445	-	-	7,445
Inter-organizational receivable	564,376	-	(564,376)	-
Investments	9,778	2,298,489	-	2,308,267
Total assets	$ 9,211,300	$ 2,588,635	$ (564,376)	$ 11,235,559
LIABILITIES AND NET ASSETS				
Accounts payable	$ 147,637	$ 22,131	$ -	$ 169,768
Accrued expenses	287,785	11,346	-	299,131
Other liabilities	22,218	-	-	22,218
Inter-organizational payable	-	564,376	(564,376)	-
Total liabilities	457,640	597,853	(564,376)	491,117
Net assets				
Unrestricted	8,430,897	(360,203)	-	8,070,694
Temporarily restricted	322,763	172,839	-	495,602
Permanently restricted	-	2,178,146	-	2,178,146
Total net assets	8,753,660	1,990,782	-	10,744,442
Total liabilities and net assets	$ 9,211,300	$ 2,588,635	$ (564,376)	$ 11,235,559

See independent auditor's report.

THE CHILDREN'S PLACE AT HOME SAFE, INC.
d/b/a HOMESAFE
CONSOLIDATING STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2013

	HomeSafe	Foundation	Eliminations	Totals
Revenues and support:				
Program service	$ 6,524,510	$ -	$ -	$ 6,524,510
Grants	3,263	342,820	-	346,083
Contributions	1,145,892	383,597	(1,145,892)	383,597
Special event revenue	-	494,835	-	494,835
Investment income, net	205	45,002	-	45,207
Change in unrealized gain	1,622	107,484		109,106
Change in value of split interest agreements	(28,220)	-	-	(28,220)
Other income	60,698	-	(60,000)	698
Total revenues and support	7,707,970	1,373,738	(1,205,892)	7,875,816
Net assets released from restrictions	-	-	-	-
	7,707,970	1,373,738	(1,205,892)	7,875,816
Expenses:				
Program services	7,015,236	1,145,892	(1,145,892)	7,015,236
Supporting services:				
Management and general	549,997	60,000	(60,000)	549,997
Fundraising	-	489,407	-	489,407
Total expenses	7,565,233	1,695,299	(1,205,892)	8,054,640
Change in net assets	142,737	(321,561)	-	(178,824)
Net assets, beginning	8,610,923	2,312,343	-	10,923,266
Net assets, end	$ 8,753,660	$ 1,990,782	$ -	$ 10,744,442

See independent auditor's report.