Comunilife, Inc. and Affiliates

Consolidated Financial Statements
and Supplementary Information
(Together with Independent Auditors' Report)

Years Ended June 30, 2022 and 2021

COMUNILIFE, INC. AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION (Together with Independent Auditors' Report)

YEARS ENDED JUNE 30, 2022 AND 2021

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INDEPENDENT AUDITORS' REPORT

The Board of Directors of
Comunilife, Inc. and Affiliates

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Comunilife, Inc. and Affiliates (collectively "Comunilife"), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Comunilife as of June 30, 2022, 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.

We did not audit the financial statements of the H.I.R.E. Housing Development Fund Corporation, a wholly owned subsidiary, which statements reflect total assets of 1% as of June 30, 2022, and total revenue and support constituting approximately 1% of the related consolidated totals for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for H.I.R.E. Housing Development Fund Corporation, is based solely on the reports of the other auditors.

Basis for Opinion

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

Report on June 30, 2021 Consolidated Financial Statements

The consolidated financial statements of Comunilife as of and for the year ended June 30, 2021, were audited by another auditor whose report dated December 1, 2021 expressed an unmodified opinion on those consolidated financial statements.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Comunilife's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating supplementary information (shown on pages 23-25) as of and for the year ended June 30, 2022, is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and the change in net assets of the individual organizations and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Mayer Hoffman McCann CPAs

New York, NY
December 01, 2022

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2022 AND 2021

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 2C and 12)	$ 19,986,861	$ 20,842,546
Grants and contracts receivable, net (Notes 2D and 2F)	12,261,068	11,368,032
Accounts receivable, net (Notes 2D and 2J)	1,899,810	1,542,953
Note receivables (Note 6)	79,499	75,531
Due from affiliated entities (Note 9)	1,172,980	1,061,316
Prepaid expenses and other current assets	389,004	253,132
Total current assets	35,789,222	35,143,510
Noncurrent Assets		
Note receivable (Note 6)	1,133,854	1,213,352
Restricted deposits and funded reserves (Notes 2E and 5)	7,229,361	6,625,127
Investments held for retirement plan (Note 8C)	112,652	128,427
Other assets	792,550	603,690
Property and equipment, net (Notes 2H, 4 and 6)	134,767,468	123,359,026
Total noncurrent assets	144,035,885	131,929,622
TOTAL ASSETS	$ 179,825,107	$ 167,073,132
LIABILITIES		
Current Liabilities		
Current portion of long-term debt (Notes 2M and 6)	$ 288,540	$ 4,768,610
Accounts payable and accrued expenses (Note 2O)	4,446,618	5,922,959
Accrued construction costs	6,613,772	8,956,098
Accrued benefits payable	3,324,702	3,511,972
Due to government funders (Note 2F)	12,337,462	12,006,714
Total current liabilities	27,011,094	35,166,353
Noncurrent Liabilities		
Deferred compensation payable (Note 8C)	112,652	128,427
Deferred interest payable	2,146,796	1,612,826
Long-term debt (Notes 2M and 6)	113,199,942	106,488,590
Total noncurrent liabilities	115,459,390	108,229,843
TOTAL LIABILITIES	142,470,484	143,396,196
COMMITMENTS AND CONTINGENCIES (Notes 10 and 11)		
NET ASSETS (Note 2B)		
Without donor restrictions:		
Undesignated	8,853,704	4,546,131
Board designated	558,567	558,567
Noncontrolling interests (Notes 2B and 2L)	24,627,424	15,558,344
Total net assets without donor restrictions	34,039,695	20,663,042
With donor restrictions (Note 13)	3,314,928	3,013,894
TOTAL NET ASSETS	37,354,623	23,676,936
TOTAL LIABILITIES AND NET ASSETS	$ 179,825,107	$ 167,073,132

The accompanying notes are an integral part of these consolidated financial statements.

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	Year Ended June 30, 2022			Year Ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total 2022	Without Donor Restrictions	With Donor Restrictions	Total 2021
REVENUE AND SUPPORT:						
Government contracts and grants (Note 2F)	$ 43,701,179	$ -	$ 43,701,179	$ 39,816,551	$ -	$ 39,816,551
Medicaid (Note 2J)	1,295,394	-	1,295,394	985,325	-	985,325
Other program fees (Note 2J)	1,997,948	-	1,997,948	2,587,173	-	2,587,173
Client rental income (Note 2I)	8,450,964	-	8,450,964	7,333,535	-	7,333,535
Contributions and special events (Notes 2G and 2P)	533,245	494,921	1,028,166	206,863	566,185	773,048
Less direct costs of special event	(156,438)	-	(156,438)	-	-	-
Investment income	11,965	-	11,965	27,929	-	27,929
Extinguishment of debt (Note 6)	2,366,950	-	2,366,950	-	-	-
Other income (Note 2N)	989,906	-	989,906	1,376,802	-	1,376,802
Net assets released from restrictions (Notes 2B and 13)	193,887	(193,887)	-	244,360	(244,360)	-
TOTAL REVENUE AND SUPPORT	59,385,000	301,034	59,686,034	52,578,538	321,825	52,900,363
EXPENSES (Note 2K):						
Program Services:						
Supported housing - OMH	12,902,638	-	12,902,638	12,554,652	-	12,554,652
Scatter site housing for PWA-HRA	11,192,228	-	11,192,228	11,396,128	-	11,396,128
Transitional housing for PWA-HRA	1,426,896	-	1,426,896	1,458,865	-	1,458,865
Congregate housing for PWA-HRA	5,305,677	-	5,305,677	5,724,130	-	5,724,130
Congregate housing - DOHMH	1,355,086	-	1,355,086	1,240,724	-	1,240,724
Safe Haven	5,614,657	-	5,614,657	4,561,457	-	4,561,457
Other programs	14,942,496	-	14,942,496	12,766,999	-	12,766,999
Total Program Services	52,739,678	-	52,739,678	49,702,955	-	49,702,955
Supporting Services:						
Management and general	5,503,159	-	5,503,159	6,468,684	-	6,468,684
Fundraising	347,740	-	347,740	305,296	-	305,296
Total Supporting Services	5,850,899	-	5,850,899	6,773,980	-	6,773,980
TOTAL EXPENSES	58,590,577	-	58,590,577	56,476,935	-	56,476,935
CHANGE IN NET ASSETS FROM OPERATIONS	794,423	301,034	1,095,457	(3,898,397)	321,825	(3,576,572)
Contribution by noncontrolling interests (Note 2L)	12,582,230	-	12,582,230	3,039,260	-	3,039,260
CHANGE IN NET ASSETS	13,376,653	301,034	13,677,687	(859,137)	321,825	(537,312)
Change in net assets attributable to controlling interest	4,307,573	301,034	4,608,607	(1,040,869)	321,825	(719,044)
Change in net assets attributable to noncontrolling interest	9,069,080	-	9,069,080	181,732	-	181,732
Net assets beginning of year - controlling interest	5,104,698	3,013,894	8,118,592	6,145,567	2,692,069	8,837,636
Net assets beginning of year - noncontrolling interest	15,558,344	-	15,558,344	15,376,612	-	15,376,612
Net assets end of year - controlling interest	9,412,271	3,314,928	12,727,199	5,104,698	3,013,894	8,118,592
Net assets end of year - noncontrolling interest	24,627,424	-	24,627,424	15,558,344	-	15,558,344
TOTAL NET ASSETS - END OF YEAR	$ 34,039,695	$ 3,314,928	$ 37,354,623	$ 20,663,042	$ 3,013,894	$ 23,676,936

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
(With Comparative Totals for the Year Ended June 30, 2021)

	Program Services								Supporting Services				
	Supported Housing-OMH	Scatter Site Housing for PWA-HRA	Transitional Housing for PWA-HRA	Congregate Housing for PWA-HRA	Congregate Housing-DOHMH	Safe Haven	Other Programs	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2022	Total 2021
Salaries	$ 3,044,117	$ 1,841,047	$ 155,000	$ 2,123,181	$ 667,419	$ 1,435,510	$ 2,212,918	$ 11,479,192	$ 2,503,511	$ 167,944	$ 2,671,455	$ 14,150,647	$ 15,379,888
Payroll taxes and benefits (Note 8)	918,477	552,315	46,499	636,953	205,171	432,867	689,912	3,482,194	788,810	50,383	839,193	4,321,387	4,469,981
Total Personnel Costs	3,962,594	2,393,362	201,499	2,760,134	872,590	1,868,377	2,902,830	14,961,386	3,292,321	218,327	3,510,648	18,472,034	19,849,869
Client rent (Note 10)	6,976,716	7,487,690	-	398,619	-	-	628,472	15,491,497	-	-	-	15,491,497	14,796,577
Client telephone and utilities	365	113,095	-	32,708	-	-	-	146,168	-	-	-	146,168	152,638
Client travel	1,767	1,815	-	1,187	-	1,587	7,932	14,288	-	-	-	14,288	10,514
Client food	22,798	-	45,863	111,026	-	531,202	102,177	813,066	-	-	-	813,066	791,949
Client supplies	254,350	165,664	14,091	51,315	5,341	43,282	116,108	650,151	-	-	-	650,151	306,406
Client expenses - other	13,289	3,000	1,884	35,103	17,870	12,026	54,959	138,131	-	-	-	138,131	71,616
Consultants	213,296	95,413	269,636	1,139,764	311,998	1,580,681	933,711	4,544,499	203,327	681	204,008	4,748,507	3,311,429
Professional fees	95,889	79,914	12,941	383,056	23,912	35,430	767,316	1,398,458	567,526	116,000	683,526	2,081,984	1,985,739
Consumable supplies	97,856	61,188	23,077	128,545	43,347	93,758	81,640	529,411	45,361	9,468	54,829	584,240	550,806
Staff expenses	13,561	10,096	1,417	11,741	2,623	2,560	10,026	52,024	24,592	1,278	25,870	77,894	85,233
Rent (Note 10)	449,047	431,041	600,000	-	-	983,381	621,305	3,084,774	585,351	-	585,351	3,670,125	4,045,972
Repairs and maintenance	120,566	79,425	78,611	28,678	15,145	134,780	1,032,860	1,490,065	13,972	-	13,972	1,504,037	1,259,829
Telephone and utilities	153,530	81,720	130,070	46,167	21,499	210,205	1,618,469	2,261,660	104,411	-	104,411	2,366,071	2,017,286
Insurance	172,983	93,144	31,612	97,074	8,913	80,190	754,331	1,238,247	32,288	-	32,288	1,270,535	1,031,741
Vehicle maintenance	67,640	44,746	4,705	22,714	8,860	10,428	4,477	163,570	6,867	81	6,948	170,518	153,859
Equipment (Note 10)	52,810	39,852	7,473	42,885	18,571	22,303	49,257	233,151	56,017	603	56,620	289,771	331,693
Dues and subscriptions	28,235	2,998	311	1,606	548	690	277	34,665	22,084	893	22,977	57,642	39,241
Catering and entertainment	-	-	-	-	-	-	-	-	-	156,438	156,438	156,438	-
Other expense	18,795	8,065	3,706	13,355	3,869	3,777	102,174	153,741	283,010	409	283,419	437,160	429,705
Bad debt	-	-	-	-	-	-	201,397	201,397	139,010	-	139,010	340,407	1,115,910
Interest (Note 2M)	65,867	-	-	-	-	-	2,071,287	2,137,154	1,804	-	1,804	2,138,958	1,282,983
Depreciation and amortization (Note 4)	120,684	-	-	-	-	-	2,881,491	3,002,175	125,218	-	125,218	3,127,393	2,855,940
Sub-total	12,902,638	11,192,228	1,426,896	5,305,677	1,355,086	5,614,657	14,942,496	52,739,678	5,503,159	504,178	6,007,337	58,747,015	56,476,935
Less: cost of direct benefits to donors	-	-	-	-	-	-	-	-	-	(156,438)	(156,438)	(156,438)	-
TOTAL EXPENSES	$ 12,902,638	$ 11,192,228	$ 1,426,896	$ 5,305,677	$ 1,355,086	$ 5,614,657	$ 14,942,496	$ 52,739,678	$ 5,503,159	$ 347,740	$ 5,850,899	$ 58,590,577	$ 56,476,935

The accompanying notes are an integral part of these consolidated financial statements.

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	Program Services								Supporting Services			
	Supported Housing-OMH	Scatter Site Housing for PWA-HRA	Transitional Housing for PWA-HRA	Congregate Housing for PWA-HRA	Congregate Housing-DOHMH	Safe Haven	Other Programs	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2021
Salaries	$ 3,260,907	$ 2,110,665	$ 266,837	$ 2,375,469	$ 683,615	$ 1,146,408	$ 2,375,820	$ 12,219,721	$ 3,028,964	$ 131,203	$ 3,160,167	$ 15,379,888
Payroll taxes and benefits (Note 8)	975,407	633,148	80,051	712,448	201,379	341,991	773,556	3,717,980	712,640	39,361	752,001	4,469,981
Total Personnel Costs	4,236,314	2,743,813	346,888	3,087,917	884,994	1,488,399	3,149,376	15,937,701	3,741,604	170,564	3,912,168	19,849,869
Client rent (Note 10)	6,580,944	7,486,505	-	729,128	-	-	-	14,796,577	-	-	-	14,796,577
Client telephone and utilities	272	107,050	-	45,316	-	-	-	152,638	-	-	-	152,638
Client travel	1,441	1,362	-	886	-	1,339	5,486	10,514	-	-	-	10,514
Client food	30,176	-	59,667	111,422	-	391,817	198,867	791,949	-	-	-	791,949
Client supplies	155,981	69,458	7,739	32,550	23,089	13,969	3,620	306,406	-	-	-	306,406
Client expenses - other	6,975	1,510	2,298	-	-	7,040	53,793	71,616	-	-	-	71,616
Consultants	126,195	25,076	203,503	808,632	177,185	981,531	778,401	3,100,523	191,794	19,112	210,906	3,311,429
Professional fees	108,522	134,086	3,850	415,109	48,480	65,757	671,387	1,447,191	432,673	105,875	538,548	1,985,739
Consumable supplies	74,921	50,597	24,678	247,947	28,661	58,607	27,196	512,607	38,074	125	38,199	550,806
Staff expenses	8,433	11,158	2,390	14,858	5,086	2,982	30,624	75,531	9,702	-	9,702	85,233
Rent (Note 10)	448,441	439,035	600,000	-	-	1,193,726	765,261	3,446,463	599,509	-	599,509	4,045,972
Repairs and maintenance	125,617	41,468	45,466	21,943	7,865	86,596	917,971	1,246,926	12,903	-	12,903	1,259,829
Telephone and utilities	138,691	71,105	101,557	48,653	22,219	152,426	1,392,205	1,926,856	90,430	-	90,430	2,017,286
Insurance	166,268	98,608	33,112	28,374	8,041	70,814	589,020	994,237	37,504	-	37,504	1,031,741
Vehicle maintenance	53,748	43,848	4,606	19,643	8,565	10,432	4,742	145,584	8,275	-	8,275	153,859
Equipment (Note 10)	64,241	50,258	17,035	84,551	18,946	24,402	30,895	290,328	41,365	-	41,365	331,693
Dues and subscriptions	17,181	2,949	306	1,577	538	678	271	23,500	15,741	-	15,741	39,241
Catering and entertainment	-	-	-	-	-	-	-	-	-	-	-	-
Other expense	19,970	18,242	5,770	25,624	7,055	10,942	95,237	182,840	237,245	9,620	246,865	429,705
Bad debt	-	-	-	-	-	-	307,036	307,036	808,874	-	808,874	1,115,910
Interest (Note 2M)	69,637	-	-	-	-	-	1,159,574	1,229,211	53,772	-	53,772	1,282,983
Depreciation and amortization (Note 4)	120,684	-	-	-	-	-	2,586,037	2,706,721	149,219	-	149,219	2,855,940
Sub-total	12,554,652	11,396,128	1,458,865	5,724,130	1,240,724	4,561,457	12,766,999	49,702,955	6,468,684	305,296	6,773,980	56,476,935
Less: cost of direct benefits to donors	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	$ 12,554,652	$ 11,396,128	$ 1,458,865	$ 5,724,130	$ 1,240,724	$ 4,561,457	$ 12,766,999	$ 49,702,955	$ 6,468,684	$ 305,296	$ 6,773,980	$ 56,476,935

The accompanying notes are an integral part of these consolidated financial statements.

COMUNILIFE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 4,608,607	$ (719,044)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Extinguishment of debt	2,366,950	-
Depreciation	2,982,576	2,840,221
Amortization of deferred finance costs	144,817	15,719
Debt issuance costs	-	(166,353)
Gain attributable to noncontrolling interests	(3,513,150)	(2,857,528)
Bad debt	340,407	1,115,910
Subtotal	6,930,207	228,925
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Grants and contracts receivable	(1,233,443)	(3,740,711)
Accounts receivable	(356,857)	594,213
Prepaid expenses and other current assets	(135,872)	(20,735)
Due from affiliated entities	(111,664)	(136,191)
Other assets	(188,860)	318,234
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,476,341)	1,488,403
Accrued benefits payable	(187,270)	(446,234)
Due to government funders	330,748	4,379,682
Due to affiliated entities	-	(152,595)
Net Cash Provided by Operating Activities	3,570,648	2,512,991
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments on note receivable	75,530	71,763
Purchases of property and equipment	(16,733,344)	(34,731,951)
Net Cash Used in Investing Activities	(16,657,814)	(34,660,188)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Capital contributions from limited partners	12,582,230	3,039,260
Proceeds from long-term debt	1,952,565	34,765,134
Repayment of long-term debt	(2,233,050)	(3,842,617)
Deferred interest payable	533,970	378,431
Net Cash Provided by Financing Activities	12,835,715	34,340,208
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS, RESTRICTED DEPOSITS AND FUNDED RESERVES	(251,451)	2,193,011
Cash and cash equivalents, restricted deposits and funded reserves - beginning of year	27,467,673	25,274,662
CASH AND CASH EQUIVALENTS, RESTRICTED DEPOSITS AND FUNDED RESERVES - END OF YEAR	$ 27,216,222	$ 27,467,673
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	$ 1,604,988	$ 904,552
Non-cash Investing Activities:		
Acquisition of property and equipment in accrued construction cost	$ 2,342,326	$ 2,269,410
Capitalization of debt interest	$ 2,102,462	$ 1,666,053
Consolidated Statements of Financial Position Reconciliation:		
Cash and cash equivalents	19,986,861	20,842,546
Restricted deposits and funded reserves	7,229,361	6,625,127
Cash and cash equivalents, restricted deposits and funded reserves - end of year	$ 27,216,222	$ 27,467,673

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Comunilife, Inc. is an organization exempt from federal income tax under the Internal Revenue Code Section 501(c)(3). It was organized on June 19, 1989, under the laws of the State of New York to provide housing and services to persons with mental illness and/or who are living with HIV/AIDS. The primary source of revenue includes government grants and contracts, Medicaid and client rental income.

Comunilife, Inc.'s mission is to improve the quality of life and create a healthier tomorrow for children, adolescents, adults, families, and seniors living with mental illness ("SAMI") and/or people with HIV/AIDS ("PWA") in New York City's underserved, diverse communities. Funding for these programs is provided by the City of New York Human Resources Administration ("HRA") and Department of Homeless Services ("DHS"); the New York State Office of Mental Health ("OMH"); the City of New York Department of Health and Mental Hygiene ("DOHMH"); the United States Department of Housing and Urban Development ("HUD"); and the United States Department of Health and Human Services Substance Abuse and Mental Health Services Administration ("SAMSHA").

The services provided by Comunilife, Inc. include the following:

Supported Housing–OMH: Comunilife, Inc. provides housing and case management services to 642 chronically mentally ill adults referred from State psychiatric institutions, hospitals, and other mental health agencies. In addition, Comunilife, Inc. operates two community residences for up to twenty adults with chronic mental illness.

Scatter Site Housing for PWA-HRA: Comunilife, Inc. provides 438 housing units as well as on-site social services for persons living with HIV/AIDS.

Transitional Housing for PWA-HRA: Comunilife, Inc. provides transitional housing for 48 persons living with HIV/AIDS along with case management services.

Congregate Housing for PWA-HRA: Comunilife, Inc. provides congregate housing for 287 persons living with HIV/AIDS.

Congregate Housing–DOHMH: Comunilife, Inc. provides congregate housing for 90 persons with mental illness.

Safe Haven: Comunilife, Inc. is contracted to provide transitional residential services for 108 homeless individuals with serious mental illness.

Other Programs: Included in other programs is the Life is Precious program. This program is an innovative nontraditional family-centered and culturally appropriate mental health and youth development program whose purpose is to reduce suicide risk in Latina adolescents. Comunilife, Inc.'s Medical Respite Program is a short-term residential program for patients who no longer require hospitalization, but do not have suitable housing in which to complete their recovery. While in the Respite Program, patients are still able to access medical care and other supportive services. Lastly, other programs include expenses for housing projects of affiliated entities.

These consolidated financial statements also include several affiliated entities which are related by sole membership and common management as well as common board members. These consolidated affiliated entities include: H.I.R.E. Housing Development Fund Corporation ("HIRE-HDFC"), H.I.R.E.-Dona Rosita II Housing Development Fund Corporation ("HIRE-HDFC II"), Comunilife Prospect Housing Development Fund Corporation ("PROSPECT-HDFC"), El Rio Housing Development Fund Corporation ("El Rio HDFC"), Comunilife Woodhull Housing Development Fund Corporation ("Woodhull HDFC"), El Rio II Housing Development Fund Corporation ("El Rio II HDFC"), and Comunilife Third Avenue Housing Development Fund Corporation ("Third Ave-HDFC"). Comunilife, Inc. is the sole member of these corporations. HIRE- HDFC, HIRE- HDFC II, PROSPECT- HDFC, El Rio HDFC, Woodhull HDFC, and El Rio II HDFC each have formed for-profit corporations, of which they are either individually the sole shareholders or partial shareholders of these corporations. These affiliate-owned corporations have each invested in limited partnerships for the purposes of developing rental housing for qualified low-income individuals with special needs. Comunilife, Inc. provides services to these affiliates as well as to the aforementioned limited partnerships.

HIRE-HDFC: HIRE-HDFC was incorporated in 1992 under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In 2011, the Corporation acquired a building containing 40 residential apartment units located in the Bronx, New York. HIRE-HDFC leases all the residential apartment units to homeless persons with AIDS or HIV related illnesses.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

HIRE-HDFC II: HIRE-HDFC II was incorporated in 2003 under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. HIRE-HDFC II provides programs for assistance to homeless persons with AIDS or HIV related illness at a 60-unit supportive housing facility located in Brooklyn, New York. The consolidated financial statements of HIRE- HDFC II include the accounts of its wholly owned, for-profit subsidiary, Dona Rosita Two, Inc. as well as the accounts of Dona Rosita Two, Limited Partnership ("Dona Rosita Two"), for which Dona Rosita Two, Inc. is the 0.01 percent General Partner. The remaining 99.99 percent of Dona Rosita Two is owned by U.S.A. Institutional Tax Credit Fund XLIII L.P., the Limited Partner. In accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), as Dona Rosita Two is controlled by the General Partner, Dona Rosita Two, Inc., the financial position, results of operations and cash flows of Dona Rosita Two were consolidated into the accounts of HIRE-HDFC II. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.99 percent noncontrolling interest of the Limited Partner has been recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

PROSPECT-HDFC: PROSPECT-HDFC was incorporated in 2009 under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. PROSPECT-HDFC provides programs for assistance to homeless persons with AIDS or HIV related illness and low-income seniors at a 60-unit supportive housing facility located in the Bronx, New York. The consolidated financial statements of PROSPECT-HDFC include the accounts of its wholly owned, for-profit subsidiary, Comunilife Prospect, Inc. as well as the accounts of Comunilife Prospect Associates Limited Partnership ("Prospect"), for which Comunilife Prospect, Inc. is the 0.009 percent General Partner. The remaining 99.991 percent of Prospect is owned by RBC Tax Credit Equity, LLC, the Limited Partner which has a 99.99 percent ownership interest in Prospect and RBC Tax Credit Manager II, Inc., the Special Limited Partner, which has a 0.001 percent ownership interest. In accordance with U.S. GAAP, as Prospect is controlled by the General Partner, Comunilife Prospect, Inc., the financial position, results of operations and cash flows of Prospect were consolidated into the accounts of PROSPECT-HDFC. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.991 percent noncontrolling interest of the Limited Partner has been recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

El Rio HDFC: In July 2012, El Rio GP, Inc., and El Rio Residences LP were formed. In January 2013, El Rio HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. El Rio HDFC includes the accounts of its wholly owned for-profit subsidiary, El Rio GP, Inc. as well as the accounts of El Rio Residences LP, for which El Rio GP, Inc. is the 0.009 percent General Partner. RS Rio, LLC is the limited partner, and Red Stone Equity Manager, LLC, special limited partner, collectively referred to as Red Stone, acquired 99.991 percent of El Rio Residences LP for a total capital contribution of $11,313,867. In accordance with U.S. GAAP, as El Rio Residences LP is controlled by the General Partner, El Rio GP, the financial position, results of operations and cash flows of El Rio Residences LP were consolidated into the accounts of EL RIO-HDFC. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.991 percent noncontrolling interest of the Limited Partner has been recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

Woodhull HDFC: In January 2017, Woodhull HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In 2017, Comunilife Woodhull Associates GP, Inc. and Comunilife Woodhull Associates LP were formed. Woodhull HDFC includes the accounts of its wholly owned, for-profit subsidiary, Comunilife Woodhull Associates GP, Inc. as well as the accounts of Comunilife Woodhull Associated LP, for which Comunilife Woodhull Associates GP, Inc. is the 0.01 percent General Partner.

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

The remaining 99.99 percent of Comunilife Woodhull Associated LP is owned by Hudson Housing Capital, the Limited Partner. In accordance with U.S. GAAP, as Woodhull Associated LP is controlled by the General Partner, Comunilife Woodhull Associates GP, Inc., the financial position, results of operations and cash flows of Comunilife Woodhull Associates GP, were consolidated into the accounts of Woodhull HDFC. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.99 percent noncontrolling interest of the Limited Partner is recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively.

El Rio II HDFC: In September 2017, El Rio II HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In November 2018 Comunilife El Rio II GP, Inc. and Comunilife El Rio II LP were formed. El Rio II-HDFC includes the accounts of its wholly owned for-profit subsidiary, Comunilife El Rio II GP, Inc. as well as the accounts of Comunilife El Rio II LP, for which Comunilife El Rio II GP, Inc. is the 0.01 percent General Partner. The remaining 99.99 percent of Comunilife El Rio II LP is owned by RedStone-Fund 42, the Limited Partner.

Third Ave-HDFC: On June 2, 2017, Comunilife entered a contract for purchase of a property located at 3395-3401 Third Avenue, Bronx, N.Y. for the purchase price of $3,200,000 for the purpose to construct, develop and operate a 115-unit apartment building to house 78 supportive housing units and 37 community housing units. In March 2018, Third Avenue-HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In June 2018, Third Avenue-HDFC closed on the property. In June 2019, Comunilife Third Avenue GP, Inc. and Comunilife Third Avenue LP were formed. Third Avenue-HDFC includes the accounts of its wholly owned for-profit subsidiary, Comunilife Third Avenue GP, Inc. as well as the accounts of Comunilife Third Avenue LP, for which Comunilife Third Avenue GP, Inc. is the 0.009 percent General Partner. The remaining 99.99 percent of Comunilife Third Avenue LP is owned by RedStone-Fund 47, the Limited Partner. RedStone Equity Manager, LLC, owns .001 percent. On December 18, 2019, Comunilife Third Avenue LP closed on the financing of $54,834,786 of construction financing for the development of the building noted above. As of June 30, 2022, construction is complete with final financing conversion to still occur.

Home Assistance Technicians, Inc.: The consolidated financial statements do not include the activities of Home Assistance Technicians, Inc. ("HAT"), an affiliate of Comunilife, Inc. through common management, but which has a separate board. HAT formed three for-profit corporations (Hughes Avenue Corporation, Crotona Avenue Corporation and Jennings Street Corporation), of which HAT was the sole shareholder. These affiliate-owner corporations have each invested in limited partnership (Hughes Avenue Associates LP, Crotona Avenue Associates LP and Jennings Street Associates LP) for the purposes of developing rental housing for qualified low-income individuals. Comunilife, Inc. provides services to these affiliates as well as to the aforementioned limited partnerships. In June 2018, Comunilife, Inc. acquired the 100 percent partnership interest in the Hughes Avenue Associates LP, Crotona Avenue Associates LP, Jennings Street Associates LP, Hughes Avenue Associates GP, Crotona Avenue Associates GP and Jennings Street Associates GP, and they are consolidated into these financial statements.

HIRE-HDFC, HIRE-HDFC II, PROSPECT-HDFC, El Rio HDFC, Woodhull HDFC, El Rio II HDFC, and Third Avenue- HDFC are each exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and are publicly supported, as described in Section 509(a), and exempt from state and local taxes.

Dona Rosita Two Limited Partnership, Comunilife Prospect Associates Limited Partnership, El Rio Residences LP, Comunilife Woodhull Associates LP, Hughes Avenue Associates LP, Crotona Avenue Associates LP, Jennings Street Associates LP, Third Avenue LP and El Rio II LP are treated as partnerships for federal, state, and local income taxes and therefore any taxable income or loss passes through to, and is reportable by, the Partners individually. The portion of taxable income or loss attributable to Dona Rosita Two, Inc. and Comunilife Prospect, Inc. has been recorded in these consolidate financial statements.

Collectively, HIRE-HDFC, HIRE-HDFC II, PROSPECT-HDFC, El Rio HDFC, Woodhull HDFC, El Rio II HDFC, Third Ave-HDFC, Hughes Avenue Associates LP, Crotona Avenue Associates LP and Jennings Street Associates LP are referred to as the "Affiliates." Collectively Comunilife, Inc. and Affiliates are referred to as "Comunilife."

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

Comunilife Throop HDFC: In September 2021, Comunilife Throop HDFC was incorporated under Section 402 of the Not-for-Profit Corporation Law and Article XI of the Private Housing Finance Law of the State of New York. In 2022, Comunilife Throop Associates GP, Inc. and Comunilife Throop Associates LP were formed. Comunilife Throop HDFC includes the accounts of its wholly owned, for-profit subsidiary, Comunilife Throop Associates GP, Inc. as well as the accounts of Comunilife Throop Associates LP, for which Comunilife Throop Associates GP, Inc. is the 0.01 percent General Partner. The remaining 99.99 percent of Comunilife Throop Associated LP is owned by Hudson Housing Capital, the Limited Partner. In accordance with U.S. GAAP, as Throop Associated LP is controlled by the General Partner, Comunilife Throop Associates GP, Inc., the financial position, results of operations and cash flows of Comunilife Throop Associates GP, were consolidated into the accounts of Throop HDFC. All material intercompany accounts and transactions were eliminated. The portion of net assets and income attributable to the 99.99 percent noncontrolling interest of the Limited Partner is recorded in the consolidated statements of financial position and statements of activities as noncontrolling interests and change in net assets attributable to noncontrolling interest, respectively. As of June 30, 2022, these amounts are immaterial and not consolidated in the financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ***Basis of Accounting, Principles of Consolidation and Use of Estimates*** – The consolidated financial statements have been prepared on the accrual basis of accounting. Comunilife adheres to U.S. GAAP which requires management to make estimates and assumptions that affect certain amounts and disclosures at the date of the consolidated financial statements. Actual results could differ from those estimates. Comunilife, Inc. consolidates the activities of its Affiliates, since it has both control and economic interest. Upon consolidation, all significant intercompany balances and transactions are eliminated.

B. ***Basis of Presentation*** – Comunilife maintains its net assets under two classes.

Without donor restrictions – represents resources available for support of Comunilife's operations over which the Board of Directors has discretionary control as well as investment in property, plant and equipment. As of both June 30, 2022 and 2021, Comunilife's Board of Directors designated $558,567 for future programs. As of June 30, 2022 and 2021, the designated funds were included in cash and cash equivalents, in the consolidated statements of financial position.

With donor restrictions – represents assets resulting from contributions and other inflows of assets whose use by Comunilife is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of Comunilife pursuant to those stipulations. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

C. ***Cash and Cash Equivalents*** – Comunilife considers highly liquid instruments with maturities of three months or less when acquired to be cash equivalents.

D. ***Allowance for Uncollectible Receivables*** – Comunilife determines whether an allowance for uncollectible receivables should be provided for grants and contracts receivable and accounts receivable. Such estimate is based on management's assessment of the aged basis of its receivables, current economic conditions, historical experience, and collections subsequent to year end. As of June 30, 2022 and 2021, Comunilife determined an allowance of $1,319,205 and $614,693 for grants and contracts receivables, and accounts receivable was necessary, respectively.

E. ***Restricted Deposits and Funded Reserves*** – Restricted deposits and funded reserves consist of amounts held in escrow by, or on deposit with, financial institutions that collateralize mortgage obligations. Additionally, restricted deposits and funded reserves consist of funds held for acquisition of capital improvements. Restricted deposits and funded reserves are carried at fair value. Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 5.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. ***Government Contracts and Grants*** – Government contracts and grants are nonexchange transactions and accounted for under Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2018-08, "Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*." Contracts and grants are recognized as revenue when barriers within the contract are overcome, and there is no right of return. Contracts and grants amounted to $43,701,179 and $39,816,551 for the years ended June 30, 2022 and 2021, respectively, and are included in the consolidated statements of activities. There are instances when Comunilife receives advances from the governmental funding sources. Such advances are recorded as due to government funders in the accompanying consolidated statements of financial position.

As of June 30, 2022 and 2021, Comunilife received conditional contracts and grants from government agencies in the aggregate amounts of approximately $122 million and $65 million, respectively. Such grants have not been recognized in the accompanying consolidated financial statements as they are for future periods and will be recognized when contract barriers are overcome. Such barriers include expending these funds in accordance with their agreements. If such services are not provided, the governmental entities are not obligated to expend the funds allotted under the grants and contracts and Comunilife may be required to return the funds already remitted. As of June 30, 2022 and 2021, Comunilife also had outstanding advances from OMH of $11,287,203 and $11,183,313, respectively, for use in its programs. As of June 30, 2022 and 2021, additional advances from other funding sources amounted to $1,050,259 and $823,401, respectively.

G. ***Contributions*** – Contributions are accounted for under ASU 2018-08. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

H. ***Property and Equipment*** – Property and equipment is stated at cost less accumulated depreciation or amortization. These amounts do not purport to represent replacement or realizable values. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the useful lives of the improvements or the term of the lease. Property and equipment is capitalized by Comunilife if its cost is $5,000 or more and its useful life is greater than one year.

Comunilife reviews its long-lived assets, including buildings, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment losses for assets to be held and used are recognized in operating results in the event that the undiscounted expected future cash flows to be generated by the related asset are less than the carrying value of the asset. In such instances, an impairment charge would be recognized to the extent the estimated fair value of the asset is less than the asset's net book value. Comunilife's assessment of recoverability is subject to estimates such as future contract revenues and future economic conditions. Comunilife does not believe that any impairment currently exists related to its long-lived assets as of June 30, 2022 and 2021.

I. ***Rental Income*** – Comunilife leases space to eligible tenants. Rental income is recognized for apartment rentals as it is accrued. Advance receipts of rental income are deferred and classified as liabilities until earned.

J. ***Program Service Revenue*** – Comunilife receives substantially all of its fee-for-service revenues from Medicaid to provide housing and services to persons with mental illness and/or who are living with HIV/AIDS. Revenue is reported at the amount that reflects the consideration to which Comunilife expects to be entitled in exchange for providing the contracted services. These amounts are due from the government agencies, third-party payors, individuals and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, Comunilife bills government agencies, third-party payors and individuals after the services are performed or when it has completed its portion of the contract. Receivables are due in full when billed and revenue is recognized as performance obligations are satisfied.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Performance obligations are determined based on the nature of the services provided by Comunilife in accordance with the contract. Revenue for performance obligations satisfied over time is recognized as the services are provided. This method depicts the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Comunilife measures the performance obligation from the beginning of the next month or day to the point when it is no longer required to provide services under the contract or has met the requirements to bill for the services provided, which is generally at the end of each month or period of time allowed based on the government agencies' stipulations.

All performance obligations relate to contracts with a duration of less than one year, therefore, there are no performance obligations or contract balances that are unsatisfied as of June 30, 2022 and 2021. The performance obligations for these contracts are completed when the service is completed and upon submission of required documentation. Comunilife determines the transaction price based on established rates and contracts for services provided.

Medicaid and other program fees consist of the following as of June 30:

	2022	2021
Respite Facility	$ 1,732,998	$ 2,449,854
Respite Per Diem	264,950	137,319
Medicaid	1,295,394	985,325
	$ 3,293,342	$ 3,572,498

K. ***Functional Expenses*** – The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated financial statements. Accordingly, expenses that are not directly charged to programs and supporting services are allocated among programs and supporting services. The cost of providing the various programs and other activities has been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting service benefited, as indicated in the consolidated statements of functional expenses, based on the square footage, salaries and other methods.

L. ***Noncontrolling Interests*** – The noncontrolling limited partners' and limited members' interests in Comunilife's consolidated statements of financial position represents undistributed profits or losses and capital of the noncontrolling partners and members. For the years ended June 30, 2022 and 2021, the change in net assets attributable to the noncontrolling interests amounted to a loss of $3,513,150 and $2,857,528, respectively.

M. ***Debt Issuance Costs*** – Debt issuance costs are reflected as a reduction of the carrying amount of the related debt and are amortized over the life of the associated debt. Amortization of debt issuance costs is included in interest expense in the consolidated statements of functional expenses.

N. ***Developer Fees*** – Developer fees are earned by Comunilife, Inc. for partnering in the development of various housing projects. For the years ended June 30, 2022 and 2021, Comunilife, Inc. earned $1,146,740 and $763,787, respectively, in developer fees, which is included in other income in the consolidated statements of activities.

O. ***Deferred Rent*** – Comunilife leases real property under various operating leases. The leases include rent escalations. Since the rent increases over time, Comunilife records an adjustment to rent expense each year to reflect its straight-lining policy. Straight-lining of rent gives rise to a timing difference that is reflected as deferred rent in accounts payable and accrued expenses in the accompanying consolidated statements of financial position.

P. ***Donated Goods and Services*** – Comunilife receives some volunteer services in carrying out its mission. Donated goods and services are recognized in the consolidated financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Comunilife records contributed goods and services at their fair value on the date received. For the years ended June 30, 2022 and 2021, there were no services rendered that met the criteria under U.S. GAAP for recognition.

NOTE 3 – LIQUIDITY AND AVAILABILITY

Management monitors levels of available financial assets to anticipate cash requirements for general expenditures as obligations come due. Comunilife has a $3.5 million line of credit (see Note 7), which it can draw upon in the event of a liquidity need. No funds were borrowed from the line of credit during the years ended June 30, 2022 and 2021. Comunilife's financial assets available to meet general expenditures over the next year are as follows as of June 30:

	2022	2021
Cash and cash equivalents	$ 19,986,861	$ 20,842,546
Grants and contracts receivable, net	12,261,068	11,368,032
Accounts receivable, net	1,899,810	1,542,953
Current maturities of note receivable	79,499	75,531
Due from affiliated entities	1,172,980	1,061,316
Less: board designated assets	(558,567)	(558,567)
Less: net assets with donor restrictions	(3,314,928)	(3,013,894)
	$ 31,526,723	$ 31,317,917

NOTE 4 – PROPERTY AND EQUIPMENT, NET

Property and equipment consists of the following as of June 30:

	2022	2021	
Land	$ 8,897,382	$ 8,916,069	
Buildings and improvements	91,857,040	91,438,079	15 – 27.5 years
Leasehold improvements	1,471,637	1,336,154	15 – 27.5 years
Furniture and fixtures	3,541,125	3,315,379	5 – 9 years
Equipment and vehicles	778,964	592,539	5 years
Construction in progress	49,283,758	35,840,668	
	155,829,906	141,438,888	
Accumulated depreciation and amortization	(21,062,438)	(18,079,862)	
	$ 134,767,468	$ 123,359,026	

Depreciation and amortization expense amounted to $2,982,576 and $2,840,221 for the years ended June 30, 2022 and 2021, respectively. Construction in progress in the amount of $49,283,758 pertains to building construction for Third Ave-HDFC, and was completed in fiscal year 2022. The building will be placed into service and reclassified out of construction in progress in 2023. Interest that is incurred during construction is added to the cost basis of construction in progress. As of June 30, 2022 and 2021, interest amounting to $2,102,462 and $1,666,053, respectively, was capitalized pertaining to El Rio II HDFC and Third Avenue-HDFC construction debt.

NOTE 5 – RESTRICTED DEPOSITS, FUNDED RESERVES AND FAIR VALUE MEASUREMENTS

Restricted deposits and funded reserves consist of the following as of June 30:

	2022	2021
Operating reserve	$ 3,884,223	$ 3,395,192
Replacement reserve	1,297,135	1,325,411
Sinking fund	326,062	507,891
Capital reserve	274,269	326,062
Social service reserve	586,009	275,044
Escrow and utility reserve	861,663	795,527
	$ 7,229,361	$ 6,625,127

Under the terms of the regulatory agreements with various New York State and City funding agencies, the HDFCs and LPs are required to maintain operating reserves and replacement reserves, commencing with the inception of the housing projects. Withdrawals from these reserves require approval of the funding agencies. Deposits are to be made to both reserves on a monthly basis or upon availability of funds.

NOTE 5 – RESTRICTED DEPOSITS, FUNDED RESERVES AND FAIR VALUE MEASUREMENTS (Continued)

The restricted deposits and funded reserves are invested in money market funds as of June 30, 2022 and 2021. Returns on reserves consist of approximately $9,200 and $40,000 of interest for the years ended June 30, 2022 and 2021, respectively. In determining fair value, Comunilife utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value. The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

The money market financial assets carried at fair value at June 30, 2022 and 2021 are classified as Level 1.

NOTE 6 – LONG-TERM DEBT

	2022	2021
Mortgage payable – On October 13, 2009, Comunilife, Inc. entered into a mortgage agreement with the Dormitory Authority of the State of New York (DASNY) in the amount of $1,948,900, which bears interest at the rate of 5.18% per annum. The mortgage requires semiannual payments of principal and interest in the amount of $70,699 until the maturity on December 1, 2033, at which time any unpaid principal and interest will become due and payable. The mortgage is secured by certain real and personal property at 550 W. 173rd Street, New York. Simultaneous with the execution of this mortgage, Comunilife, Inc. entered into a note receivable agreement with OMH pursuant to which OMH agreed to pay the semiannual mortgage principal and interest payments to DASNY. As a result, Comunilife, Inc. has established a note receivable in the same amount as the mortgage payable.	$ 1,213,352	$ 1,288,883
Loan agreement – On June 18, 2020, Comunilife, Inc. entered into a loan agreement with the Nonprofit Finance Fund ("NFF") in the amount of $2,000,000 which was repaid in 2022.	-	2,000,000
Loan agreements – In November 2019, Comunilife entered into a grant with Deutsche Bank Americas Foundation with a recoverable portion of $120,000 and $80,000 as of June 30, 2022 and 2021, respectively. The recoverable portion bears no interest and is repaid in annual installments of $40,000 through 2024. Comunilife, Inc. has a loan payable to Corporation of Supportive Housing for pre-development expenses related to construction. The loan amounts to $750,000 bearing interest at 6% per annum. As of both June 30, 2022 and 2021, $598,000 was outstanding and matures the earlier of closing or 2024. As of both June 30, 2022 and 2021, Comunilife, Inc. also has a loan agreement in the amount of $90,175, with a maturity date earlier of closing or construction financing from the Capital Magnet Fund.	808,175	768,175
Loan agreement – On April 19, 2020, Comunilife, Inc. entered into a loan agreement through the U.S. Small Business Administrations ("SBA") Paycheck Protection Program ("PPP"). The amount of the loan agreement is $2,565,100, which bears interest at a rate of 1% per annum. In October 2021, $2,366,950 was forgiven by the SBA and is included as extinguishment of debt in the consolidated statements of activities. The remaining balance of $198,150 was paid off during 2022.	-	2,565,100

NOTE 6 – LONG-TERM DEBT (Continued)

	2022	2021
Construction loan payable – On May 16, 2006, HIRE-HDFC II entered into a construction loan with HPD for the construction of a building located in Brooklyn, New York in an amount not to exceed $4,739,056. Upon completion of the project, this loan converted to permanent financing over a term of 30 years bearing interest at the rate of 1% per annum. The principal balance together with any accrued and unpaid interest shall be due and payable upon the maturity date of the agreement. The construction loan payable is collateralized by the building.	4,739,056	4,739,056
Mortgage payable – In May 2007, HIRE-HDFC II entered into a 30-year mortgage agreement with the New York Homeless Housing Assistance Corporation ("HHAC") in an amount of $2,340,000, which bears interest at the rate of 1% per annum. The interest is payable upon demand by HHAC. The mortgage will be forgiven upon maturity if the building in Brooklyn, New York is used for its intended purpose for the 30-year term of the mortgage. The mortgage payable is collateralized by the building.	2,340,000	2,340,000
Mortgage payable – On May 26, 2011, HIRE-HDFC entered into a debt agreement with HPD in the amount of $2,153,805, which bears interest at 1.25% per annum and is a non-amortizing mortgage, which matures and is payable in June 2041. There are no required principal payments prior to maturity. The mortgage requires monthly payments of interest only. The mortgage is secured by certain real and personal property in the Bronx, New York.	2,153,805	2,153,805
Mortgage payable – In May 1996, Rosita entered into a 30-year mortgage agreement with HUD under the HOPWA Program in an original amount of $145,000, which bears interest at the rate of 1% per annum. The mortgage requires the accrual of interest until the maturity date of the mortgage, May 10, 2026, at which time the entire unpaid principal and any accrued and unpaid interest were scheduled to become due and payable. On May 26, 2011, the debt of $145,000 was refinanced by HPD and the debt was transferred to HIRE-HDFC. This debt bears interest at 1% per annum and is a non-amortizing mortgage, which matures and is payable in May 2041. The mortgage is secured by real and personal property in the Bronx, New York.	145,000	145,000
Construction loan payable – On June 30, 2009, Prospect entered into a construction loan with HPD for the construction of a building located in the Bronx, NY in an amount not to exceed $7,600,683, which includes an enforcement lien mortgage in the amount of $1,020,000 attached to the property. The enforcement lien mortgage bears no interest, and the note shall be deemed satisfied on June 30, 2059 if all of the terms under the enforcement lien are satisfied. Upon completion of the project, the construction loan will convert to permanent financing over a term of 50 years bearing interest at the rate of 0.25% per annum. The principal balance together with any accrued and unpaid interest shall be due and payable upon the maturity date of the agreement, which is June 20, 2061. The construction loan payable is collateralized by the building.	7,593,836	7,593,836
Construction loan payable – On June 27, 2013, El Rio Residences HDFC entered into a loan agreement with HPD in the amount of $7,966,005. The agreement provides that upon closing, the loan will convert to an interest-only permanent financing. The loan will bear interest at one percent with principal and unpaid interest due in 60 years from conversion. The construction loan payable is collateralized by the building. This loan was converted to permanent financing in October 2018.	7,966,005	7,966,005

NOTE 6 – LONG-TERM DEBT (Continued)

	2022	2021
Construction loan payable – On June 27, 2013, New York State Homeless Housing and Assistance Corporation (HHAC) provided a second construction loan to El Rio Residences HDFC in the amount of $1,677,469, As of June 30, 2018, $315,370 is held in an escrow account with HPD to be released at final closing. The loan bears no interest during construction and will bear interest at 1% per annum after final closing, with principal and any unpaid interest due 30 years from the date of permanent conversion. The construction loan payable is collateralized by the building. This loan was converted to permanent financing in October 2018.	1,677,469	1,677,469
Acquisition loan payable – In May 2017, Comunilife Woodhull LP entered into a debt agreement with HPD in the amount of $2,000,000 to finance the acquisition of a leasehold estate located in Brooklyn, New York. The loan payable bears no interest from the date of the loan. The loan was converted to permanent financing on May 8, 2020. The loan payable bears interest of 2.71% from the conversion date to maturity date. The loan has a maturity date on the 50th anniversary of the conversion date.	2,000,000	2,000,000
Construction loan payable – In May 2017, Comunilife Woodhull LP entered into a construction loan agreement with Housing Trust Fund Corporation for the construction of a building located in Brooklyn, New York in the amount not to exceed $5,996,299. The loan was converted to permanent financing on May 8, 2020, requires no interest or principal, and will mature in July 2070.	5,996,299	5,996,299
Construction loan payable – In May 2017, Comunilife Woodhull LP entered into a building loan with HPD for the construction of a building located in Brooklyn, New York in the amount not to exceed $7,773,552. The loan was converted to a permanent mortgage in May 2020 and will mature in May 2070. The loan requires monthly interest only payments of 2.71% per annum and will mature in May 2070.	7,774,204	7,774,204
Mortgage payable- Woodhull LP entered into a mortgage payable with Chase bank in the original amount of $3,653,055 and bears interest of 4.755% per annum. The mortgage requires monthly payments of interest and principal in the amount of $19,056 with a final payment due on its maturity date of June 1, 2050.	3,532,644	3,587,197
Mortgage payable – Mortgage payable to a bank in the original amount of $3,670,000 and bears no interest. The full amount of the mortgage is due upon its maturity date of November 1, 2052.	3,669,500	3,669,500
Letter of credit – In December 2020, Comunilife Third Avenue L.P. entered into a building and project letter of credit agreement with a financial institution for the construction of a building located in the Bronx, New York. The letter of credit bears interest at prime plus 0.5%. The letter of credit expires in January 2023.	42,496,987	25,921,120
Mortgage payable – In December 2019, Comunilife Third Avenue L.P. entered into a mortgage payable for the construction of a building located in the Bronx, New York in the amount of $10,623,190. The mortgage payable bears interest at 5% during the construction period commencing December 18, 2019 through the conversion date.	2,259,260	1,193,628

NOTE 6 – LONG-TERM DEBT (Continued)

	2022	2021
Construction loan payable – In June 2018, Comunilife El Rio II, LP entered into a construction loan agreement with Housing Trust Fund Corporation for the construction of a building located in the Bronx, New York in the amount not to exceed $9,640,000. The loan payable bears interest at 0.01% during the construction period commencing June 28, 2018 until the maturity date of June 29, 2019 or the conversion date.	9,640,000	9,367,872
On June 14, 2022, Comunilife El Rio II, LP entered into a note payable with the Leviticus Fund in the original amount of $1,232,619 and bears interest of 5.75% per annum. The note payable requires monthly payments of interest and principal in the amount of $7,193 with a final payment due on its maturity date of June 1, 2052.	1,232,619	-
Building and project loan payable – In June 2018, Comunilife El Rio II, LP entered into a building and project loan agreement with Capital One for the construction of a building located in the Bronx, New York in the amount not to exceed $12,997,329. The loan payable bears interest at 4.89% during the construction period commencing June 29, 2018 until the maturity date of June 29, 2022. On June 14, 2022 the financing went through permanent conversion and the construction loan was paid off.	-	12,042,027
Mortgage payable – In June 2018, Hughes Avenue Associates LP, Crotona Avenue Associates LP and Jennings Street Associates LP entered into a 35-year mortgage agreement with New York City Housing Development Corporation for $7,240,000 which bears interest at the rate of 5.5% per annum. The mortgage requires monthly payments of principal and interest. The mortgage is secured by certain real and personal property in the Bronx, New York. The mortgage payable is collateralized by the building.	6,934,840	7,007,776
Total long-term debt	114,173,051	111,796,952
Less: current portion of long-term debt	(288,540)	(4,768,610)
Less: unamortized debt issuance costs	(684,569)	(539,752)
Total long-term debt, net of current portion	$ 113,199,942	$ 106,488,590

Required future annual principal payments are payable as follows for the five years ending after June 30, 2022:

2023	$ 288,540
2024	990,990
2025	316,497
2026	291,339
2027	306,029
Thereafter	111,979,656
	$ 114,173,051

NOTE 7 – LINE OF CREDIT

Comunilife, Inc. maintains a line of credit with a bank. The line of credit was increased on April 24, 2021 from $2,500,000 to $3,500,000 and expires on January 31, 2023. The interest rate was 5.25% and 3.75%, respectively, as of June 30, 2022 and 2021, which is the prime rate plus 0.50% per annum. The line of credit is secured by all assets of Comunilife, Inc. as of June 30, 2022 and 2021. During the years ended June 30, 2022 and 2021, Comunilife did not draw down on the line of credit and there are no amounts outstanding. As of December 1, 2022 no amounts were borrowed.

NOTE 8 – RETIREMENT PLANS

A. Comunilife offers a 403(b) plan for which most employees are eligible. The 403(b) plan is a contributory plan covering employees of Comunilife and its related subsidiaries. Employees are eligible to participate in the 403(b) plan and have elective deferrals made on their behalf immediately upon being employed by Comunilife and its related affiliates. All contributions made to the plan are 100 percent vested and may be invested in diversified investment options at each participant's discretion.

B. Comunilife offers a 401(k) plan for which most employees are eligible for elective deferrals which are 100 percent vested upon contribution. The 401(k) plan also provides for employer profit-sharing contributions. In order to be eligible for the profit-sharing portion of the plan, the employee must have completed two years (twenty-four consecutive months and credited with 1,000 hours each year) of service and be age twenty-one or older. The plan entry dates are January 1 and July 1 following the satisfaction of eligibility requirements. Vesting in participants' accounts is based on years of continuous service with 100 percent vesting occurring after two years of service. Expense for this plan for the years ended June 30, 2022 and 2021 amount to $706,969 and $746,491, respectively. Both elective and non-elective contributions made to the plan may be invested in diversified investment options at each participant's discretion.

C. Comunilife, Inc. implemented the Comunilife, Inc. 457(b) Deferred Compensation Plan. The purpose of this plan is to enable employees who become covered under the plan to enhance their retirement security by permitting them to enter into agreements with Comunilife, Inc. to defer a portion of their compensation and receive benefits at retirement, separation from service, death, or in the event of financial hardship due to unforeseeable emergencies. Investments held for the 457(b) retirement plan and associated liabilities amounted to $112,652 and $128,427 as of June 30, 2022 and 2021, respectively, and were invested in money market funds.

NOTE 9 – JOINT VENTURES

These following entities are related through common management, but are not controlled by Comunilife, Inc.:

A. In November 2013, Comunilife, Inc. entered into a joint venture with Walison Corp., a New York corporation, for the purpose of ownership, development, construction, and management of 33 units of supportive housing, a community room and an office for social services located in the Bronx, NY. As part of the agreement, Comunilife formed Burnside HDFC, a New York not-for-profit corporation pursuant to Article XI of the Private Housing Finance Law. A limited partnership, 280 East Burnside Associates L.P., serves as the beneficial owner and borrower for the project. The general partner is 280 East Burnside Corp., which owns 0.01 percent of the partnership. The general partner is owned 51 percent by Burnside HDFC, a subsidiary of Comunilife, and 49 percent by Walison or its subsidiary. In June 2014, the limited partnership agreement was restated to admit RJ HOP 280 East Burnside LLC to the partnership and withdraw the initial limited partner, Walison Corp. If Comunilife elects to terminate services prior to the expiration of the tax credit compliance period, then it needs to transfer all of its rights, title and interest in the project to Walison, or another not-for-profit chosen by Walison for #1. The joint venture can be dissolved upon satisfying certain conditions in the agreement. In accordance with the terms of joint venture agreement, Burnside HDFC does not have an economic interest of control on 280 East Burnside Corp. and accordingly 280 East Burnside Corp. is not consolidated in these financial statements.

B. In March 2016, Comunilife formed 1815 HDFC, a New York not-for-profit corporation pursuant to Article XI of the Private Housing Finance Law of the State of New York for the purpose of ownership, development, construction, and management of 80 units of supportive housing located in the Bronx, NY. A limited partnership, 1815 West Farms Associates L.P., serves as the beneficial owner and borrower for the project. The general partner is 1815 West Farms Managers LLC, which will own 0.01 percent of the partnership. The general partner is owned 51 percent by 1815 West Farms HDFC (member), a subsidiary of Comunilife, and 49 percent by Walison (managing member). The construction loan closing occurred in January 2017, at which point the partnership was amended and assigned to admit Hudson 1815 West Farms LLC (investment partner) and Hudson SLP LLC (special limited partner) as the sole limited members owning 99.99 percent of the project. In accordance with the terms of joint venture agreement, 1815 HDFC does not have economic interest or controlling interest in 1815 West Farms Managers, LLC and accordingly 1815 West Farms Managers, LLC is not consolidated in these financial statements.

NOTE 9 – JOINT VENTURES (Continued)

C. In 2014, Comunilife entered into a joint venture agreement with Common Ground Community II Housing Development Fund Corporation, a New York corporation, with the intent to construct, develop and operate a supportive rental housing project that will be comprised of approximately 160 units of supportive and low-income housing and approximately 5,000 square feet of ground floor community facility space located in the Bronx, N.Y. Common Ground Community II Housing Development Fund Corporation is a 70 percent managing member of LaCentral Supportive Housing LLC. Comunilife is a 30 percent member owner of LaCentral Supportive Housing LLC. LaCentral Supportive Housing LLC is a general partnership with 99.9 percent ownership of LaCentral Supportive L.P. As part of the agreement, Comunilife does not have an economic interest or control of LaCentral Supportive Housing LLC and accordingly it is not consolidated in these financial statements.

Comunilife had the following amounts due from affiliated entities at June 30:

	2022	2021
Woodhull II	$ 841,503	$ 706,188
LaCentral	129,068	205,030
HAT	-	98,918
1815 West Farms LP	44,899	44,899
St. Barnabas	140,377	-
Other affiliates	17,133	6,281
	$ 1,172,980	$ 1,061,316

The above amounts due from related entities are non-interest bearing and there are no definitive payment terms.

NOTE 10 – LEASE COMMITMENTS

Comunilife has a number of noncancelable operating lease agreements. For the years subsequent to June 30, 2022, annual minimum rentals payable for real and personal property, principally under long-term operating leases expiring at varying dates through 2031, are as follows:

	Real Property	Equipment	Total
2023	$ 3,684,681	$ 99,000	$ 3,783,681
2024	2,530,432	99,000	2,629,432
2025	2,423,477	99,000	2,522,477
2026	2,344,364	75,250	2,419,614
2027	1,982,897	-	1,982,897
Thereafter	3,638,315	-	3,638,315
	$ 16,604,166	$ 372,250	$ 16,979,416

In connection with its Scattered Site program, Comunilife has entered into cancelable lease agreements for approximately 950 apartments. Lease terms range from one to two years. The monthly rent for each apartment ranges from $612 to $2,500. Residents contribute 30 percent of their monthly income towards the payment for rent, which is included in client rental income in the accompanying consolidated statements of activities.

Rent expense amounted to the following for the years ended June 30:

	2022	2021
Cancelable leases	$ 15,491,497	$ 14,796,577
Real property	3,670,126	4,045,972
Equipment	289,771	331,693
	$ 19,451,394	$ 19,174,242

NOTE 11 – OTHER COMMITMENTS AND CONTINGENCIES

A. From time to time, Comunilife is subject to certain claims or litigation in the normal course of its operations. Management is of the opinion that any claims are either without merit or that the present insurance coverage is sufficient to meet the financial obligations, if any, arising out of such claims or proceeding, and that the outcome of any such claims or lawsuits will not have a material impact on Comunilife's financial condition.

B. Comunilife believes it has no uncertain tax positions as of June 30, 2022 and 2021, in accordance with FASB Accounting Standards Codification ("ASC") Topic 740, "Income Taxes," which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

C. Dona Rosita Two, El Rio Residences LP, Prospect LP, Crotona Avenue Associates LP, Hughes Avenue Associates LP, Jennings Street Associates LP and Comunilife Woodhull Associates LP's low-income housing credits are contingent on their ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with occupant eligibility and/or unit gross rent, or to correct noncompliance within a specified time period could result in recapture of previously taken tax credits plus interest.

D. El Rio II HDFC and Comunilife El Rio II have entered into a construction contract agreement dated June 29, 2018 for construction services in connection with the project. The contract amount including change orders at June 30, 2022 was $18,364,612. At June 30, 2022 and 2021, the construction contract including change orders in the amounts of $18,364,612 and $18,206,298 was completed, of which $0 and $51,850 remains unpaid, respectively.

E. Comunilife Third Avenue HDFC has entered into a construction contract agreement dated December 18, 2020 for construction services in connection with the project in the amount of $39,572,000. At June 30, 2022 and 2021, construction costs and change orders in the amounts of, $40,639,082 and $27,226,525 have been paid and $762,441 and $12,345,475, respectively, remains outstanding.

F. Comunilife Third Avenue, L.P. (the Borrower) and Comunilife, Inc. (the Sponsor), entered into a financing and commitment agreement for a multi-family project financed by the New York State Housing Finance Agency ("HFA"). HFA committed funds of $31,300,000 to be funded through the issuance of one or more series of tax-exempt bonds. HFA also commits funds of $6,000,000 through HFA's 100 percent affordable loan program and another $3,670,000 through HFA's supportive housing opportunities program. As discussed in Note 7, Comunilife Third Avenue, L.P. obtained a letter of credit.

G. Under the terms of the agreement with HPD, Dona Rosita Two, LP has an enforcement lien mortgage in the amount of $225,000 attached to the property. The enforcement lien mortgage bears no interest, and the note shall be deemed satisfied on October 15, 2037, if all of the terms under the enforcement lien are satisfied.

H. Under the terms of the agreement with HPD, Prospect Associates, LP has an enforcement lien mortgage in the amount of $1,020,000 attached to the property. The enforcement lien mortgage bears no interest, and the note shall be deemed satisfied on June 30, 2059, if all of the terms under the enforcement lien are satisfied.

NOTE 12 – CONCENTRATION

Cash and cash equivalents that potentially subject Comunilife to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Cash accounts are insured up to $250,000 per depositor, per insured financial institution. As of June 30, 2022 and 2021, there was approximately $18.8 million and $17.5 million, respectively, of cash and cash equivalents that exceeded FDIC limits held at two institutions.

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

Comunilife's net assets with donor restrictions were restricted for the following programs as of June 30:

	2022	2021
Life is Precious	$ 1,632,873	$ 1,369,705
Community residences	1,213,352	1,288,884
Time-restricted	228,304	150,000
Respite program	89,473	97,800
Woodhull clinical supervisor	94,062	75,000
Balance calories initiative	13,208	13,208
Other	43,655	19,297
	$ 3,314,928	$ 3,013,894

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follow for the years ended June 30:

	2022	2021
Community residences	$ 75,531	$ 71,762
Deutsche bank	8,330	63,885
Life is Precious	33,797	59,710
Respite program	-	39,003
Time-restricted	76,229	-
Other	-	10,000
	$ 193,887	$ 244,360

NOTE 14 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through December 01, 2022, the date the consolidated financial statements were available to be issued.

On November 4, 2022, The City of New York, acting by and through HPD has approved an application for a loan for the construction of 93 units of low-income housing to be constructed at 171 Throop Avenue, Brooklyn, New York. The loan will be made to Comunilife Throop Associates L.P. in the amount of approximately $15,139,000.

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF JUNE 30, 2022

	Comunilife, Inc.	HIRE-HDFC	Crotona Ave Associates LP	Hughes Ave Associates LP	Jennings St Associates LP	HIRE-HDFC II	Prospect-HDFC	El Rio HDFC	Woodhull HDFC	Third Ave-HDFC	El Rio II HDFC	Consolidating Eliminations	Consolidated Total
ASSETS													
Current Assets													
Cash and cash equivalents	$ 17,828,394	$ 4,202	$ 4,950	$ 1,088	$ 10,077	$ 63,041	$ 59,857	$ 278,669	$ 514,880	$ 693,690	$ 528,013	$ -	$ 19,986,861
Grants and contracts receivable, net	12,261,068	-	-	-	-	-	-	-	-	-	-	-	12,261,068
Accounts receivable	1,852,869	70,936	36,559	63,938	59,768	-	46,586	95,374	100,942	-	17,227	(444,389)	1,899,810
Note receivables	79,499	-	-	-	-	-	-	-	-	-	-	-	79,499
Due from affiliated entities	2,962,540	-	101,844	358,363	18,088	-	81,430	180,284	-	-	-	(2,529,569)	1,172,980
Prepaid expenses and other current assets	175,020	52,349	59,623	38,587	63,425	-	-	-	-	-	-	-	389,004
Total current assets	35,159,390	127,487	202,976	461,976	151,358	63,041	187,873	554,327	615,822	693,690	545,240	(2,973,958)	35,789,222
Noncurrent Assets													
Note receivable	1,133,854	-	-	-	-	-	-	-	-	-	-	-	1,133,854
Restricted deposits and funded reserves	-	1,199,858	408,438	424,276	756,047	1,176,315	1,192,591	949,294	692,444	-	430,098	-	7,229,361
Investments held for retirement plan	112,652	-	-	-	-	-	-	-	-	-	-	-	112,652
Investment in limited partnership	(2,952,237)	-	-	-	-	-	-	-	-	-	-	2,952,237	-
Other assets	487,844	-	-	-	-	35,888	4,270	50,447	183,370	21,200	9,531	-	792,550
Property and equipment, net	1,309,467	718,399	1,204,751	297,330	1,048,701	3,726,163	7,916,253	16,894,517	25,019,441	55,704,176	23,681,596	(2,753,326)	134,767,468
Total noncurrent assets	91,580	1,918,257	1,613,189	721,606	1,804,748	4,938,366	9,113,114	17,894,258	25,895,255	55,725,376	24,121,225	198,911	144,035,885
TOTAL ASSETS	$ 35,250,970	$ 2,045,744	$ 1,816,165	$ 1,183,582	$ 1,956,106	$ 5,001,407	$ 9,300,987	$ 18,448,585	$ 26,511,077	$ 56,419,066	$ 24,666,465	$ (2,775,047)	$ 179,825,107
LIABILITIES													
Current Liabilities													
Current portion of long-term debt	$ 119,499	$ -	$ 32,978	$ 27,525	$ 32,113	$ -	$ -	$ -	$ 61,925	$ -	$ 14,500	$ -	$ 288,540
Accounts payable and accrued expenses	1,945,023	42,673	218,886	135,661	328,116	18,186	56,937	361,130	934,033	291,338	389,367	(274,732)	4,446,618
Accrued construction costs	-	-	-	-	-	-	-	-	-	4,285,280	2,328,492	-	6,613,772
Accrued benefits payable	3,254,002	12,964	-	-	-	24,513	22,014	11,209	-	-	-	-	3,324,702
Due to government funders	12,337,462	-	-	-	-	-	-	-	-	-	-	-	12,337,462
Due to affiliated entities	122,465	89,408	328,601	-	139,979	361,734	11,594	46,022	31,784	1,170,077	203,479	(2,505,143)	-
Total current liabilities	17,778,451	145,045	580,465	163,186	500,208	404,433	90,545	418,361	1,027,742	5,746,695	2,935,838	(2,779,875)	27,011,094
Noncurrent Liabilities													
Deferred compensation payable	112,652	-	-	-	-	-	-	-	-	-	-	-	112,652
Deferred interest payable	-	37,820	10,370	17,793	20,758	1,004,101	179,183	353,595	523,176	-	-	-	2,146,796
Long-term debt	1,902,029	2,232,567	2,350,900	1,968,277	2,296,324	7,056,023	7,579,889	9,608,208	19,241,224	48,433,280	10,531,221	-	113,199,942
Total noncurrent liabilities	2,014,681	2,270,387	2,361,270	1,986,070	2,317,082	8,060,124	7,759,072	9,961,803	19,764,400	48,433,280	10,531,221	-	115,459,390
TOTAL LIABILITIES	19,793,132	2,415,432	2,941,735	2,149,256	2,817,290	8,464,557	7,849,617	10,380,164	20,792,142	54,179,975	13,467,059	(2,779,875)	142,470,484
NET ASSETS (DEFICIT)													
Without donor restrictions													
Undesignated	11,584,343	(369,688)	(1,125,570)	(965,674)	(861,184)	(21,461)	118,223	(7,384)	(2,627)	(978)	876	504,828	8,853,704
Board designated	558,567	-	-	-	-	-	-	-	-	-	-	-	558,567
Noncontrolling interests	-	-	-	-	-	(3,441,689)	1,333,147	8,075,805	5,721,562	2,240,069	11,198,530	(500,000)	24,627,424
Total net assets without donor restrictions	12,142,910	(369,688)	(1,125,570)	(965,674)	(861,184)	(3,463,150)	1,451,370	8,068,421	5,718,935	2,239,091	11,199,406	4,828	34,039,695
With donor restrictions	3,314,928	-	-	-	-	-	-	-	-	-	-	-	3,314,928
TOTAL NET ASSETS	15,457,838	(369,688)	(1,125,570)	(965,674)	(861,184)	(3,463,150)	1,451,370	8,068,421	5,718,935	2,239,091	11,199,406	4,828	37,354,623
TOTAL LIABILITIES AND NET ASSETS	$ 35,250,970	$ 2,045,744	$ 1,816,165	$ 1,183,582	$ 1,956,106	$ 5,001,407	$ 9,300,987	$ 18,448,585	$ 26,511,077	$ 56,419,066	$ 24,666,465	$ (2,775,047)	$ 179,825,107

See independent auditors' report.

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Comunilife, Inc.			HIRE-HDFC	Crotona Ave Associates LP	Hughes Ave Associates LP	Jennings St Associates LP	HIRE-HDFC II	Prospect-HDFC	El Rio HDFC	Woodhull HDFC	Third Ave-HDFC	El Rio II HDFC	Eliminations	Consolidated Total		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT:																	
Government contracts and grants	$ 43,701,179	$ -	$ 43,701,179	$ 26,923	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (26,923)	$ 43,701,179	$ -	$ 43,701,179
Medicaid	1,295,394	-	1,295,394	-	-	-	-	-	-	-	-	-	-	-	1,295,394	-	1,295,394
Other program fees	1,997,948	-	1,997,948	-	-	-	-	-	-	-	-	-	-	-	1,997,948	-	1,997,948
Client rental income	1,982,926	-	1,982,926	409,249	876,862	733,128	850,466	601,549	870,018	913,215	1,184,494	-	630,606	(601,549)	8,450,964	-	8,450,964
Contributions and special events	533,245	494,921	1,028,166	-	-	-	-	-	-	-	-	-	-	-	533,245	494,921	1,028,166
Less direct costs of special event	(156,438)	-	(156,438)	-	-	-	-	-	-	-	-	-	-	-	(156,438)	-	(156,438)
Investment income	5,154	-	5,154	5,921	-	-	-	31	118	383	271	-	87	-	11,965	-	11,965
Extinguishment of debt	2,366,950	-	2,366,950	-	-	-	-	-	-	-	-	-	-	-	2,366,950	-	2,366,950
Other income	1,489,122	-	1,489,122	-	23,569	13,108	41,781	-	319	3,112	6,151	-	27,285	(614,541)	989,906	-	989,906
Net assets released from restrictions	193,887	(193,887)	-	-	-	-	-	-	-	-	-	-	-	-	193,887	(193,887)	-
TOTAL REVENUE AND SUPPORT	53,409,367	301,034	53,710,401	442,093	900,431	746,236	892,247	601,580	870,455	916,710	1,190,916	-	657,978	(1,243,013)	59,385,000	301,034	59,686,034
EXPENSES:																	
Program Services:																	
Supported housing - OMH	12,902,638	-	12,902,638	-	-	-	-	-	-	-	-	-	-	-	12,902,638	-	12,902,638
Scatter site housing for PWA-HRA	11,192,228	-	11,192,228	-	-	-	-	-	-	-	-	-	-	-	11,192,228	-	11,192,228
Transitional housing for PWA-HRA	1,426,896	-	1,426,896	-	-	-	-	-	-	-	-	-	-	-	1,426,896	-	1,426,896
Congregate housing for PWA-HRA	5,934,149	-	5,934,149	-	-	-	-	-	-	-	-	-	-	(628,472)	5,305,677	-	5,305,677
Congregate housing - DOHMH	1,355,086	-	1,355,086	-	-	-	-	-	-	-	-	-	-	-	1,355,086	-	1,355,086
Safe Haven	5,614,657	-	5,614,657	-	-	-	-	-	-	-	-	-	-	-	5,614,657	-	5,614,657
Other programs	5,106,563	-	5,106,563	480,934	920,502	706,462	928,754	844,394	858,690	1,224,688	1,760,118	-	2,111,391	-	14,942,496	-	14,942,496
Total Program Services	43,532,217	-	43,532,217	480,934	920,502	706,462	928,754	844,394	858,690	1,224,688	1,760,118	-	2,111,391	(628,472)	52,739,678	-	52,739,678
Supporting Services:																	
Management and general	4,958,101	-	4,958,101	17,181	27,470	21,705	36,735	64,267	238,394	282,661	240,272	28,972	96,942	(509,541)	5,503,159	-	5,503,159
Fundraising	347,740	-	347,740	-	-	-	-	-	-	-	-	-	-	-	347,740	-	347,740
Total Supporting Services	5,305,841	-	5,305,841	17,181	27,470	21,705	36,735	64,267	238,394	282,661	240,272	28,972	96,942	(509,541)	5,850,899	-	5,850,899
TOTAL EXPENSES	48,838,058	-	48,838,058	498,115	947,972	728,167	965,489	908,661	1,097,084	1,507,349	2,000,390	28,972	2,208,333	(1,138,013)	58,590,577	-	58,590,577
CHANGE IN NET ASSETS FROM OPERATIONS	4,571,309	301,034	4,872,343	(56,022)	(47,541)	18,069	(73,242)	(307,081)	(226,629)	(590,639)	(809,474)	(28,972)	(1,550,355)	(105,000)	794,423	301,034	1,095,457
Other Items																	
Distributions from limited partnerships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Earnings from limited partnerships	(102,716)	-	(102,716)	-	-	-	-	-	-	-	-	-	-	102,716	-	-	-
Change in net assets attributable to noncontrolling interests	-	-	-	-	-	-	-	307,081	226,629	590,639	809,474	28,972	1,550,355	-	3,513,150	-	3,513,150
TOTAL OTHER ITEMS	(102,716)	-	(102,716)	-	-	-	-	307,081	226,629	590,639	809,474	28,972	1,550,355	102,716	3,513,150	-	3,513,150
CHANGE IN NET ASSETS	4,468,593	301,034	4,769,627	(56,022)	(47,541)	18,069	(73,242)	-	-	-	-	-	-	(2,284)	4,307,573	301,034	4,608,607
Net assets (Deficit) - beginning of year	7,674,317	3,013,894	10,688,211	(313,666)	(1,078,029)	(983,743)	(787,942)	(21,461)	118,223	(7,384)	(2,627)	(978)	876	507,112	5,104,698	3,013,894	8,118,592
TOTAL NET ASSETS (DEFICIT) - END OF YEAR	$ 12,142,910	$ 3,314,928	$ 15,457,838	$ (369,688)	$ (1,125,570)	$ (965,674)	$ (861,184)	$ (21,461)	$ 118,223	$ (7,384)	$ (2,627)	$ (978)	$ 876	$ 504,828	$ 9,412,271	$ 3,314,928	$ 12,727,199
Noncontrolling interests - beginning of year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (3,134,608)	$ 1,559,776	$ 8,666,444	$ 6,531,036	$ 2,269,041	$ 166,655	$ (500,000)	$ 15,558,344	$ -	$ 15,558,344
Contribution (Distribution) to noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	-	12,582,230	-	12,582,230	-	12,582,230
Change in net assets attributable to noncontrolling interests	-	-	-	-	-	-	-	(307,081)	(226,629)	(590,639)	(809,474)	(28,972)	(1,550,355)	-	(3,513,150)	-	(3,513,150)
Noncontrolling interests - end of year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (3,441,689)	$ 1,333,147	$ 8,075,805	$ 5,721,562	$ 2,240,069	$ 11,198,530	$ (500,000)	$ 24,627,424	$ -	$ 24,627,424
TOTAL NET ASSETS AND NONCONTROLLING INTERESTS - END OF YEAR	$ 12,142,910	$ 3,314,928	$ 15,457,838	$ (369,688)	$ (1,125,570)	$ (965,674)	$ (861,184)	$ (3,463,150)	$ 1,451,370	$ 8,068,421	$ 5,718,935	$ 2,239,091	$ 11,199,406	$ 4,828	$ 34,039,695	$ 3,314,928	$ 37,354,623

COMUNILIFE, INC. AND AFFILIATES
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	Comunilife, Inc.											
	Supported Housing-OMH	Scatter Site Housing for PWA-HRA	Transitional Housing for PWA-HRA	Congregate Housing for PWA-HRA	Congregate Housing-DOHMH	Safe Haven	Other Programs	Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries	$ 3,044,117	$ 1,841,047	$ 155,000	$ 2,123,181	$ 667,419	$ 1,435,510	$ 1,490,680	$ 10,756,954	$ 2,503,511	$ 167,944	$ 2,671,455	$ 13,428,409
Payroll taxes and benefits	918,477	552,315	46,499	636,953	205,171	432,867	444,827	3,237,109	788,810	50,383	839,193	4,076,302
Total Personnel Costs	3,962,594	2,393,362	201,499	2,760,134	872,590	1,868,377	1,935,507	13,994,063	3,292,321	218,327	3,510,648	17,504,711
Client rent	6,976,716	7,487,690	-	1,027,091	-	-	628,472	16,119,969	-	-	-	16,119,969
Client telephone and utilities	365	113,095	-	32,708	-	-	-	146,168	-	-	-	146,168
Client travel	1,767	1,815	-	1,187	-	1,587	7,932	14,288	-	-	-	14,288
Client food	22,798	-	45,863	111,026	-	531,202	102,177	813,066	-	-	-	813,066
Client supplies	254,350	165,664	14,091	51,315	5,341	43,282	116,108	650,151	-	-	-	650,151
Client expenses - other	13,289	3,000	1,884	35,103	17,870	12,026	54,959	138,131	-	-	-	138,131
Consultants	213,296	95,413	269,636	1,139,764	311,998	1,580,681	497,437	4,108,225	51,577	681	52,258	4,160,483
Professional fees	95,889	79,914	12,941	383,056	23,912	35,430	755,439	1,386,581	292,438	116,000	408,438	1,795,019
Consumable supplies	97,856	61,188	23,077	128,545	43,347	93,758	81,640	529,411	45,361	9,468	54,829	584,240
Staff expenses	13,561	10,096	1,417	11,741	2,623	2,560	10,026	52,024	24,592	1,278	25,870	77,894
Rent	449,047	431,041	600,000	-	-	983,381	621,305	3,084,774	585,351	-	585,351	3,670,125
Repairs and maintenance	120,566	79,425	78,611	28,678	15,145	134,780	85,366	542,571	13,747	-	13,747	556,318
Telephone and utilities	153,530	81,720	130,070	46,167	21,499	210,205	116,061	759,252	92,932	-	92,932	852,184
Insurance	172,983	93,144	31,612	97,074	8,913	80,190	31,187	515,103	32,288	-	32,288	547,391
Vehicle maintenance	67,640	44,746	4,705	22,714	8,860	10,428	4,477	163,570	6,867	81	6,948	170,518
Equipment	52,810	39,852	7,473	42,885	18,571	22,303	49,257	233,151	56,017	603	56,620	289,771
Dues and subscriptions	28,235	2,998	311	1,606	548	690	277	34,665	22,084	893	22,977	57,642
Other expense	18,795	8,065	3,706	13,355	3,869	3,777	8,936	60,503	176,494	409	176,903	237,406
Bad debt	-	-	-	-	-	-	-	-	139,010	-	139,010	139,010
Interest	65,867	-	-	-	-	-	-	65,867	1,804	-	1,804	67,671
Depreciation and amortization	120,684	-	-	-	-	-	-	120,684	125,218	-	125,218	245,902
TOTAL EXPENSES	$ 12,902,638	$ 11,192,228	$ 1,426,896	$ 5,934,149	$ 1,355,086	$ 5,614,657	$ 5,106,563	$ 43,532,217	$ 4,958,101	$ 347,740	$ 5,305,841	$ 48,838,058

	HIRE-HDFC			Crotona Avenue Associates LP			Hughes Avenue Associates LP			Jennings Street Associates LP		
	Other Program	Management and General	Total	Other Program	Management and General	Total	Other Program	Management and General	Total	Other Program	Management and General	Total
Salaries	$ 69,373	$ -	$ 69,373	$ 94,304	$ -	$ 94,304	$ 71,702	$ -	$ 71,702	$ 88,495	$ -	$ 88,495
Payroll taxes and benefits	20,643	-	20,643	32,372	-	32,372	31,952	-	31,952	41,228	-	41,228
Total Personnel Costs	90,016	-	90,016	126,676	-	126,676	103,654	-	103,654	129,723	-	129,723
Client rent	-	-	-	-	-	-	-	-	-	-	-	-
Client telephone and utilities	-	-	-	-	-	-	-	-	-	-	-	-
Client travel	-	-	-	-	-	-	-	-	-	-	-	-
Client food	-	-	-	-	-	-	-	-	-	-	-	-
Client supplies	-	-	-	-	-	-	-	-	-	-	-	-
Client expenses - other	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	35,294	-	35,294	96,590	-	96,590	79,496	-	79,496	94,356	-	94,356
Professional fees	1,490	17,152	18,642	-	22,550	22,550	-	21,705	21,705	-	34,343	34,343
Consumable supplies	-	-	-	-	-	-	-	-	-	-	-	-
Staff expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	89,986	-	89,986	179,797	-	179,797	120,916	-	120,916	193,957	-	193,957
Telephone and utilities	101,116	-	101,116	256,778	-	256,778	184,894	-	184,894	212,228	-	212,228
Insurance	31,445	-	31,445	63,854	-	63,854	59,828	-	59,828	74,369	-	74,369
Vehicle maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-
Other expense	1,330	29	1,359	1,185	4,920	6,105	1,359	-	1,359	1,154	2,392	3,546
Bad debt	43,241	-	43,241	14,711	-	14,711	30,548	-	30,548	46,966	-	46,966
Interest	28,373	-	28,373	127,523	-	127,523	106,763	-	106,763	124,557	-	124,557
Depreciation and amortization	58,643	-	58,643	53,388	-	53,388	19,004	-	19,004	51,444	-	51,444
TOTAL EXPENSES	$ 480,934	$ 17,181	$ 498,115	$ 920,502	$ 27,470	$ 947,972	$ 706,462	$ 21,705	$ 728,167	$ 928,754	$ 36,735	$ 965,489

	HIRE-HDFC II			PROSPECT-HDFC			El Rio HDFC			Woodhull HDFC		
	Other Program	Management and General	Total	Other Program	Management and General	Total	Other Program	Management and General	Total	Other Program	Management and General	Total
Salaries	$ 115,688	$ -	$ 115,688	$ 191,879	$ -	$ 191,879	$ 90,797	$ -	$ 90,797	$ -	$ -	$ -
Payroll taxes and benefits	34,247	-	34,247	57,404	-	57,404	27,239	-	27,239	-	-	-
Total Personnel Costs	149,935	-	149,935	249,283	-	249,283	118,036	-	118,036	-	-	-
Client rent	-	-	-	-	-	-	-	-	-	-	-	-
Client telephone and utilities	-	-	-	-	-	-	-	-	-	-	-	-
Client travel	-	-	-	-	-	-	-	-	-	-	-	-
Client food	-	-	-	-	-	-	-	-	-	-	-	-
Client supplies	-	-	-	-	-	-	-	-	-	-	-	-
Client expenses - other	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	-	40,077	40,077	-	209,943	209,943	53,528	237,639	291,167	77,010	106,404	183,414
Professional fees	10,387	24,190	34,577	-	28,451	28,451	-	45,022	45,022	-	40,181	40,181
Consumable supplies	-	-	-	-	-	-	-	-	-	-	-	-
Staff expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	83,752	-	83,752	59,310	-	59,310	82,424	-	82,424	72,379	-	72,379
Telephone and utilities	115,058	-	115,058	157,325	-	157,325	198,724	-	198,724	124,703	-	124,703
Insurance	60,027	-	60,027	65,461	-	65,461	101,172	-	101,172	137,315	-	137,315
Vehicle maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-
Other expense	16,191	-	16,191	4,455	-	4,455	5,492	-	5,492	19,161	93,687	112,848
Bad debt	-	-	-	13,818	-	13,818	32,113	-	32,113	20,000	-	20,000
Interest	69,860	-	69,860	18,984	-	18,984	96,435	-	96,435	558,562	-	558,562
Depreciation and amortization	339,184	-	339,184	290,054	-	290,054	536,764	-	536,764	750,988	-	750,988
TOTAL EXPENSES	$ 844,394	$ 64,267	$ 908,661	$ 858,690	$ 238,394	$ 1,097,084	$ 1,224,688	$ 282,661	$ 1,507,349	$ 1,760,118	$ 240,272	$ 2,000,390

	Third Ave-HDFC	El Rio II HDFC				
	Management and General	Other Program	Management and General	Total	Eliminations	Total
Salaries	$ -	$ -	$ -	$ -	$ -	$ 14,150,647
Payroll taxes and benefits	-	-	-	-	-	4,321,387
Total Personnel Costs	-	-	-	-	-	18,472,034
Client rent	-	-	-	-	(628,472)	15,491,497
Client telephone and utilities	-	-	-	-	-	146,168
Client travel	-	-	-	-	-	14,288
Client food	-	-	-	-	-	813,066
Client supplies	-	-	-	-	-	650,151
Client expenses - other	-	-	-	-	-	138,131
Consultants	11,780	-	55,448	55,448	(509,541)	4,748,507
Professional fees	-	-	41,494	41,494	-	2,081,984
Consumable supplies	-	-	-	-	-	584,240
Staff expenses	-	-	-	-	-	77,894
Rent	-	-	-	-	-	3,670,125
Repairs and maintenance	225	64,973	-	64,973	-	1,504,037
Telephone and utilities	11,479	151,582	-	151,582	-	2,366,071
Insurance	-	129,673	-	129,673	-	1,270,535
Vehicle maintenance	-	-	-	-	-	170,518
Equipment	-	-	-	-	-	289,771
Dues and subscriptions	-	-	-	-	-	57,642
Other expense	5,488	42,911	-	42,911	-	437,160
Bad debt	-	-	-	-	-	340,407
Interest	-	940,230	-	940,230	-	2,138,958
Depreciation and amortization	-	782,022	-	782,022	-	3,127,393
TOTAL EXPENSES	$ 28,972	$ 2,111,391	$ 96,942	$ 2,208,333	$ (1,138,013)	$ 58,590,577