

LYDIA'S HOUSE, INC.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
SEPTEMBER 30, 2015 AND 2014

LYDIA'S HOUSE, INC.

ST. LOUIS, MISSOURI

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INDEPENDENT AUDITORS' REPORT



Board of Directors
LYDIA'S HOUSE, INC.

We have audited the accompanying consolidated financial statements of Lydia's House, Inc. (a nonprofit organization), which comprise the consolidated statements of financial position as of September 30, 2015 and 2014, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Lydia's House, Inc. as of September 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information on pages 16 through 22 is presented for purposes of additional analysis and not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Boh, Deal & Company
May 6, 2016

LYDIA'S HOUSE, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2015 AND 2014

ASSETS

	2015	2014
CURRENT ASSETS		
Cash	\$ 651,634	\$ 450,582
Receivables:		
Contracts	21,913	15,411
Promise to give	4,000	19,000
Accounts receivable	8,363	9,589
Prepaid expenses	24,752	15,577
Inventory	21,196	29,762
TOTAL CURRENT ASSETS	731,858	539,921
 FIXED ASSETS		
Land	493,164	229,839
Buildings and improvements	3,255,760	3,114,727
Furniture and equipment	25,575	25,575
Vehicles	35,099	35,099
Total Cost	3,809,598	3,405,240
Less: accumulated depreciation and amortization	1,159,683	1,202,087
NET FIXED ASSETS	2,649,915	2,203,153
 OTHER ASSETS		
Deposits	6,479	6,859
Loan cost, net of amortization	2,982	44
TOTAL OTHER ASSETS	9,461	6,903
 TOTAL ASSETS	 \$ 3,391,234	 \$ 2,749,977

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

LIABILITIES AND NET ASSETS

	2015	2014
CURRENT LIABILITIES		
Note payable - amount due in one year	\$ 48,617	\$ 15,194
Accounts payable	34,183	24,781
Payroll taxes payable	3,622	5,342
Accrued expenses:		
Vacations	14,414	13,891
Salaries and wages	18,283	17,631
Retirement plan	1,130	2,498
Other	12,606	-
Deferred revenue	2,108	13,085
Resident CCS payments	16,760	16,642
Security deposits	7,713	4,863
TOTAL CURRENT LIABILITIES	159,436	113,927
LONG-TERM LIABILITIES		
Note payable	609,659	247,691
Less: amount due in one year	48,617	15,194
TOTAL LONG-TERM LIABILITIES	561,042	232,497
TOTAL LIABILITIES	720,478	346,424
NET ASSETS		
Unrestricted:		
Undesignated	2,384,531	2,330,169
Board designated - operating reserve	250,000	12,500
Board designated - repairs	26,397	26,397
Board designated - Lydia's Ladle	3,812	3,812
Temporarily restricted	6,016	30,675
TOTAL NET ASSETS	2,670,756	2,403,553
TOTAL LIABILITIES AND NET ASSETS	\$ 3,391,234	\$ 2,749,977

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

LYDIA'S HOUSE, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
REVENUES, GAINS AND SUPPORT			
Government support	\$ 351,045	\$ 15,000	\$ 366,045
Contributions	650,970	2,150	653,120
Merchandise and food sales	42,387	-	42,387
Less: cost of sales	(30,060)	-	(30,060)
Net income from sales	12,327	-	12,327
Special events	283,728	-	283,728
Interest and dividend income	1,093	-	1,093
Rental income	24,861	-	24,861
In-kind contributions	140,692	-	140,692
Miscellaneous	11,709	-	11,709
Net loss on sales of assets	(7,647)	-	(7,647)
Net assets released from restriction	41,809	(41,809)	-
TOTAL REVENUES, GAINS AND SUPPORT	1,510,587	(24,659)	1,485,928
EXPENSES			
Program	892,761	-	892,761
Management and general	56,353	-	56,353
Fundraising	269,611	-	269,611
TOTAL EXPENSES	1,218,725	-	1,218,725
CHANGE IN NET ASSETS	291,862	(24,659)	267,203
NET ASSETS - BEGINNING OF YEAR	2,372,878	30,675	2,403,553
NET ASSETS - END OF YEAR	\$ 2,664,740	\$ 6,016	\$ 2,670,756

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

LYDIA'S HOUSE, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
REVENUES, GAINS AND SUPPORT			
Government support	\$ 271,980	\$ 15,000	\$ 286,980
Contributions	542,071	26,675	568,746
Merchandise sales	12,319	-	12,319
Less: cost of sales	(7,296)	-	(7,296)
Net income from sales	5,023	-	5,023
Special events	272,552	-	272,552
Interest and dividend income	714	-	714
In-kind contributions	119,120	-	119,120
Miscellaneous	7,179	-	7,179
Gain on sale of assets	(739)	-	(739)
Net assets released from restriction	40,313	(40,313)	-
TOTAL REVENUES, GAINS AND SUPPORT	1,258,213	1,362	1,259,575
EXPENSES			
Program	865,061	-	865,061
Management and general	47,802	-	47,802
Fundraising	257,943	-	257,943
TOTAL EXPENSES	1,170,806	-	1,170,806
 CHANGE IN NET ASSETS	 87,407	 1,362	 88,769
 NET ASSETS - BEGINNING OF YEAR	 2,285,471	 29,313	 2,314,784
 NET ASSETS - END OF YEAR	 \$ 2,372,878	 \$ 30,675	 \$ 2,403,553

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

LYDIA'S HOUSE, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUND - RAISING</u>	<u>TOTAL</u>
Salaries	\$ 394,509	\$ 33,461	\$ 110,142	\$ 538,112
Payroll taxes and fringe benefits	93,224	7,240	22,818	123,282
Amortization	1,274	22	22	1,318
Assistance/aid	77,575	-	-	77,575
Bank and credit card fees	58	5	1,987	2,050
Continuing education	872	387	-	1,259
Depreciation	117,364	2,264	1,568	121,196
Dues and subscriptions	5,204	-	898	6,102
Equipment rental	1,200	-	-	1,200
Information technology	7,696	632	4,914	13,242
Insurance	16,886	2,648	4,847	24,381
Interest	15,964	244	224	16,432
Meetings	361	553	105	1,019
Mileage and parking	164	13	47	224
Miscellaneous	7,815	164	949	8,928
Postage	1,198	88	1,722	3,008
Printing	1,471	121	6,693	8,285
Professional fees	14,862	891	12,370	28,123
Rent	3,744	-	-	3,744
Repairs and maintenance	11,760	774	773	13,307
Retirement plan contributions	6,846	588	2,204	9,638
Security	917	-	-	917
Special events	-	-	92,505	92,505
Supplies and furnishings	9,663	216	813	10,692
Telephone	14,547	780	2,731	18,058
Travel	290	1,281	-	1,571
Utilities	78,594	1,279	1,279	81,152
Vehicle costs	8,477	2,702	-	11,179
Volunteer program	226	-	-	226
TOTAL	<u>\$ 892,761</u>	<u>\$ 56,353</u>	<u>\$ 269,611</u>	<u>\$ 1,218,725</u>

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

LYDIA'S HOUSE, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUND - RAISING</u>	<u>TOTAL</u>
Salaries	\$ 368,120	\$ 30,496	\$ 101,915	\$ 500,531
Payroll taxes and fringe benefits	94,713	6,841	24,508	126,062
Amortization	1,270	26	27	1,323
Assistance/aid	65,198	-	-	65,198
Bank and credit card fees	-	80	2,494	2,574
Continuing education	611	-	-	611
Depreciation	119,688	1,161	971	121,820
Dues and subscriptions	5,472	10	544	6,026
Equipment rental	1,200	-	-	1,200
Information technology	11,071	759	5,723	17,553
Insurance	17,773	2,437	5,247	25,457
Interest	10,966	243	229	11,438
Meetings	748	132	390	1,270
Mileage	911	62	275	1,248
Miscellaneous	1,385	220	665	2,270
Postage	1,419	89	481	1,989
Printing	1,725	118	5,720	7,563
Professional fees	21,161	1,214	3,693	26,068
Rent	3,400	-	-	3,400
Repairs and maintenance	16,924	199	198	17,321
Retirement plan contributions	6,261	527	1,750	8,538
Security	1,642	-	-	1,642
Special events	-	-	97,953	97,953
Supplies and furnishings	12,439	156	688	13,283
Telephone	14,949	729	3,210	18,888
Travel	911	-	-	911
Utilities	79,071	1,262	1,262	81,595
Vehicle costs	5,378	1,041	-	6,419
Volunteer program	655	-	-	655
TOTAL	<u>\$ 865,061</u>	<u>\$ 47,802</u>	<u>\$ 257,943</u>	<u>\$ 1,170,806</u>

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

LYDIA'S HOUSE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Public support and contributions received	\$ 913,479	\$ 779,512
Government support received	359,543	285,108
Cash paid to suppliers and employees	(946,402)	(912,300)
Miscellaneous income received	36,570	7,179
Interest and dividends received	1,093	714
Interest paid	(15,117)	(11,438)
NET CASH PROVIDED BY OPERATING ACTIVITIES	349,166	148,775
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of stock	68,880	52,465
Proceeds from sale of fixed assets	166,093	-
Purchase of fixed assets	(745,056)	(8,947)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(510,083)	43,518
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	380,000	-
Payments on notes payable	(18,031)	(14,607)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	361,969	(14,607)
NET INCREASE IN CASH	201,052	177,686
CASH - BEGINNING OF YEAR	450,582	272,896
CASH - END OF YEAR	\$ 651,634	\$ 450,582

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

**RECONCILIATION OF CHANGE IN NET ASSETS TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

	2015	2014
CHANGE IN NET ASSETS	\$ 267,203	\$ 88,769
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Stock donations	(69,779)	(53,203)
Depreciation	121,196	121,820
Amortization	1,318	1,323
Realized (gain) loss on sales of assets	7,647	739
(Increase) decrease in assets:		
Receivables	(5,276)	(11,461)
Promises to give	15,000	(19,000)
Prepaid expenses	(9,175)	(1,667)
Inventory	8,566	(645)
Deposits	380	(140)
Increase (decrease) in liabilities:		
Accounts payable	9,402	10,245
Accrued expenses	10,693	3,135
Deferred revenue	(10,977)	(1,902)
Resident CCS payments	118	9,394
Security deposits	2,850	1,368
TOTAL ADJUSTMENTS	81,963	60,006
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 \$ 349,166	 \$ 148,775

SUPPLEMENTAL DISCLOSURE OF NON-CASH INFORMATION:

In-kind donations of program supplies and assistance items in the amount of \$70,913 and \$65,917 were received during the years ended September 30, 2015 and 2014, respectively.

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

LYDIA'S HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

1. DESCRIPTION OF OPERATIONS

Lydia's House, Inc. (the Organization) was founded in 1995 by a four-person mission group who after research and discussions with domestic violence service providers in the St. Louis area decided to address the urgent need of safe and confidential housing for battered women and their children. Lydia's House continues to be the only confidentially-located, stand-alone transitional housing program in Missouri specifically for domestic violence victims. In the 21 years since Lydia's House opened its first site, the agency has grown from serving 2 families to serving 45 women and up to 80 children at a given time. Lydia's House's services include transitional housing, advocacy/case-management, legal advocacy, support groups, art therapy, counseling, children's program, community meals and outings, specialized services for immigrant survivors, follow-up services and the Ladle job training/employment program.

The Organization's public support is currently funded by community and government organizations, St. Louis-based corporations, and individual donations.

In August 2013 Lydia's House created a new entity, Lydia's Ladle, LLC. Through this program, women gain practical work experience, make contacts for future job references, learn job skills that would make them a desirable job candidate in the food/restaurant business, and most importantly, gradually transition into the full-time work force after leaving Lydia's House. Lydia's House is proud to say that, since the Lydia's Ladle's inception, 15 women have been provided with employment and job training.

In the summer of 2015, Lydia's House expanded its housing capacity by selling its smaller housing complex and purchasing a larger apartment building. This addition has increased the Organization's housing capacity from 36 to 45 independent apartments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidated Financial Statements - The consolidated financial statements include the accounts of the Organization and its wholly-owned subsidiary, Lydia's Ladle, LLC. The financial statements also include assets of a grantor trust held for the benefit of the Organization. All significant intercompany accounts and transactions have been eliminated in the consolidation.

Basis of Presentation - Financial statement presentation follows the recommendations of the FASB Accounting Standard Codification Topic 958, Not-for-Profit Entities. Under Topic 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of September 30, 2015 and 2014, the Organization did not have any permanently restricted net assets.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - continued

Contracts and Accounts Receivable - Receivables consist of contract and other revenue earned and not yet received. An allowance for doubtful accounts is not deemed necessary by management as, historically, few balances have been written off.

Cash - The Organization maintains its cash in accounts at three commercial banks and one brokerage firm. A summary of the total insured and uninsured amounts as of September 30, 2015 follows:

Total cash held	\$ 658,417
Portion secured by FDIC and SIPC	<u>(658,417)</u>
Uninsured cash balance	<u><u>\$ -</u></u>

Investments - The Organization carries investments in marketable securities with readily determinable fair values at their fair market value. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Promises to Give - Unconditional promises to give are recognized as revenues or gains in the period awarded and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized as revenue only when the conditions are substantially met and the promises become unconditional.

Inventory - The Organization's inventories, which are stated at cost, consist of items that are sold to help fund the programs and provide workforce training for residents.

Fixed Assets - Fixed assets are recorded at cost or fair market value at time of donation and depreciated over estimated useful lives as follows:

<u>Major Group</u>	<u>Method</u>	<u>Life</u>
Buildings and improvements	Straight-line	5 - 27.5 years
Furniture and equipment	Accelerated and Straight-line	5 - 7 years
Vehicles	Straight-line	3 - 5 years

As in prior years, various items of furniture and equipment were donated to the Organization for which no fair market value was available and accordingly have not been recorded on the books.

All acquisitions of property and equipment of \$2,500 or more are capitalized. Depreciation was \$121,196 and \$121,820 for the years ended September 30, 2015 and 2014, respectively.

Contributions - Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Statement of Cash Flows - For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Donated Services - The Organization pays for most services requiring specific expertise. However, a substantial number of hours have been contributed by unpaid volunteers to the various programs. These services are considered to add a dimension to the quality of program services over and above that which can be provided by salaried personnel. Donated services have not been reflected in the financial statements because they do not meet the criteria of FASB Accounting Standards Codification Topic 958 for recording in-kind donation of services.

Concentration of Revenue - For the fiscal year ended September 30, 2015, the Organization received approximately 24% of its revenue from local, state, and federal agencies, through grant/contract agreements.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes - The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a).

Functional Allocation of Expenses - The cost of providing the various programs and other activities has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services based on management's analysis of time and expense. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

All the direct expenses for the creation, printing, and mailing of the newsletters and other direct mail solicitations and website costs are considered fundraising expenses. The only activity involving a combined educational campaign and fundraising solicitation that qualified for allocation between program and fundraising expenses (per SOP 98-2) was speaking at certain events. This activity met the requirements of audience, content, and purpose. The approximate cost of these speaking engagements, for salary and benefits, was \$535. For the year ended September 30, 2015, the Organization allocated \$187, \$134, and \$214 of those joint costs to program services, management and general, and fundraising, respectively.

3. INVESTMENTS

The following schedule summarizes the investment return included in the Statement of Activities for the years ended September 30:

	<u>2015</u>	<u>2014</u>
Investment income	\$ 14	\$ -
Realized gain (loss) on investments	<u>(898)</u>	<u>(739)</u>
	<u>\$ (884)</u>	<u>\$ (739)</u>

4. PROMISES TO GIVE

Unconditional promises to give at September 30, 2015 and 2014 were as follows:

	<u>2015</u>	<u>2014</u>
Receivable in less than one year	\$ 4,000	\$ 19,000
Receivable in one to five years	-	-
Total unconditional promises to give	<u>4,000</u>	<u>19,000</u>
Less: discounts to net present value	-	-
Net unconditional promises to give	<u>\$ 4,000</u>	<u>\$ 19,000</u>

5. NOTES PAYABLE

Notes payable consists of:

	<u>2015</u>	<u>2014</u>
Midwest BankCentre - mortgage Collateral - deed of trust on property Interest rate - 4.50% Maturity - April 23, 2019 Payments - \$2,169 per month, which includes principal and interest The maturity date, as of September 30, 2015, was April 23, 2016. It has been renewed, with the same terms, with a new maturity date of April 23, 2019.	\$ 232,644	\$ 247,691
Midwest BankCentre - mortgage Collateral - deed of trust on property Interest rate - 4.25% Maturity - June 5, 2020 Payments - \$2,366 per month, which includes principal and interest	377,015	-
TOTAL	<u>\$ 609,659</u>	<u>\$ 247,691</u>

5. **NOTES PAYABLE** - continued

Estimated maturities of the notes payable for the years ending September 30 are as follows:

2016	\$	48,617
2017		30,483
2018		31,857
2019		174,554
2020		<u>324,148</u>
TOTAL		<u>609,659</u>

6. **RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets are available for the following purposes or periods as of September 30:

	<u>2015</u>	<u>2014</u>
Family support	\$ 766	\$ 25,215
Furniture and equipment	1,500	1,710
General support - time	3,750	3,750
TOTAL RESTRICTED NET ASSETS	<u>\$ 6,016</u>	<u>\$ 30,675</u>

7. **RETIREMENT PLAN**

The Organization has a retirement plan that provides for an employer contribution of 2% of an eligible employee's compensation. In addition, employees can contribute to the plan up to the annual limit allowed by the Internal Revenue Service. Retirement plan contributions for the years ended September 30, 2015 and 2014 were \$9,638 and \$8,538, respectively.

8. **INCOME TAX**

FASB Accounting Standards Codification Topic 740, Income Taxes, provides for the recognition of tax benefits related to uncertain tax positions. For the years ended September 30, 2015 and 2014, management believes there are no material uncertain tax positions. The Organization files form 990 Return of Organization Exempt From Income Tax. Returns prior to 2011 are closed.

9. **SUBSEQUENT EVENTS**

As of May 6, 2016, the date the financial statements were available to be issued, no subsequent events or transactions had occurred that would have materially impacted the financial statements as presented.

SUPPLEMENTAL INFORMATION

LYDIA'S HOUSE, INC.
SCHEDULE OF FINANCIAL POSITION
SEPTEMBER 30, 2015

ASSETS

CURRENT ASSETS

Cash	\$	644,407
Receivables:		
Contracts		21,913
Promise to give		4,000
Account receivable		6,839
Prepaid expenses		24,752
Inventory - merchandise		20,716
TOTAL CURRENT ASSETS		<u>722,627</u>

FIXED ASSETS

Land		493,164
Buildings and improvements		3,255,760
Furniture and equipment		25,575
Vehicles		35,099
Total Cost		<u>3,809,598</u>
Less: accumulated depreciation and amortization		1,159,683
NET FIXED ASSETS		<u>2,649,915</u>

OTHER ASSETS

Deposits		6,479
Loan cost, net of amortization		2,982
Member's capital contribution - Lydia's Ladle		100
Due from Lydia's Ladle		66,615
TOTAL OTHER ASSETS		<u>76,176</u>

TOTAL ASSETS	\$	<u><u>3,448,718</u></u>
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See Independent Auditors' Report.

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Notes payable - amount due in one year	\$ 48,617
Accounts payable	31,718
Payroll taxes payable	3,078
Accrued expenses:	
Vacations	14,414
Salaries and wages	13,915
Retirement plan	1,130
Other	12,606
Deferred revenue	2,108
Resident CCS payments	16,760
Security deposits	7,713
TOTAL CURRENT LIABILITIES	<u>152,059</u>

LONG-TERM LIABILITIES

Notes payable	609,659
Less: amount due in one year	48,617
TOTAL LONG-TERM LIABILITIES	<u>561,042</u>

TOTAL LIABILITIES 713,101

NET ASSETS

Unrestricted:	
Undesignated	2,449,392
Board designated - operating reserve	250,000
Board designated - repairs	26,397
Board designated - Lydia's Ladle	3,812
Temporarily restricted	6,016
TOTAL NET ASSETS	<u>2,735,617</u>

TOTAL LIABILITIES
AND NET ASSETS \$ 3,448,718

See Independent Auditors' Report.

LYDIA'S HOUSE, INC.
SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
REVENUES, GAINS AND SUPPORT			
Government support	\$ 351,044	\$ 15,000	\$ 366,044
Contributions	650,970	2,150	653,120
Sales - merchandise	12,264	-	12,264
Less: cost of sales	<u>(7,246)</u>	<u>-</u>	<u>(7,246)</u>
Net income from sales	5,018	-	5,018
Special events	283,729	-	283,729
Interest income	1,093	-	1,093
In-kind contributions	140,692	-	140,692
Rental income	24,861	-	24,861
Miscellaneous	11,704	-	11,704
Gain (loss) on sales of assets	(7,647)	-	(7,647)
Net assets released from restriction	<u>41,809</u>	<u>(41,809)</u>	<u>-</u>
TOTAL REVENUES, GAINS AND SUPPORT	<u>1,503,273</u>	<u>(24,659)</u>	<u>1,478,614</u>
EXPENSES			
Program	863,645	-	863,645
Management and general	52,008	-	52,008
Fundraising	<u>269,611</u>	<u>-</u>	<u>269,611</u>
TOTAL EXPENSES	<u>1,185,264</u>	<u>-</u>	<u>1,185,264</u>
CHANGE IN NET ASSETS	318,009	(24,659)	293,350
NET ASSETS - BEGINNING OF YEAR	<u>2,411,592</u>	<u>30,675</u>	<u>2,442,267</u>
NET ASSETS - END OF YEAR	<u>\$ 2,729,601</u>	<u>\$ 6,016</u>	<u>\$ 2,735,617</u>

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LYDIA'S HOUSE, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUND - RAISING</u>	<u>TOTAL</u>
Salaries	\$ 369,952	\$ 29,655	\$ 110,142	\$ 509,749
Payroll taxes and fringe benefits	89,690	6,711	22,818	119,219
Amortization	1,274	22	22	1,318
Assistance/aid	77,575	-	-	77,575
Bank and credit card fees	58	5	1,987	2,050
Continuing education	872	387	-	1,259
Depreciation	117,364	2,264	1,568	121,196
Dues and subscriptions	5,204	-	898	6,102
Equipment rental	1,200	-	-	1,200
Information technology	7,696	632	4,914	13,242
Insurance	16,848	2,648	4,847	24,343
Interest	15,964	244	224	16,432
Meetings	361	553	105	1,019
Mileage and parking	164	13	47	224
Miscellaneous	7,664	154	949	8,767
Postage	1,069	88	1,722	2,879
Printing	1,471	121	6,693	8,285
Professional fees	14,862	891	12,370	28,123
Rent	3,744	-	-	3,744
Repairs and maintenance	11,760	774	773	13,307
Retirement plan contributions	6,846	588	2,204	9,638
Security	917	-	-	917
Special events	-	-	92,505	92,505
Supplies and furnishings	8,956	216	813	9,985
Telephone	14,547	780	2,731	18,058
Travel	290	1,281	-	1,571
Utilities	78,594	1,279	1,279	81,152
Vehicle costs	8,477	2,702	-	11,179
Volunteer program	226	-	-	226
TOTAL	<u>\$ 863,645</u>	<u>\$ 52,008</u>	<u>\$ 269,611</u>	<u>\$ 1,185,264</u>

See Independent Auditors' Report.

LYDIA'S LADLE, LLC
SCHEDULE OF FINANCIAL POSITION
SEPTEMBER 30, 2015

ASSETS

CURRENT ASSETS

Cash	\$	7,226
Accounts receivable		1,525
Inventory - food products		480
TOTAL CURRENT ASSETS		9,231
TOTAL ASSETS	\$	9,231

LIABILITIES AND NET ASSETS (DEFICIT)

CURRENT LIABILITIES

Accounts payable	\$	2,465
Payroll taxes payable		544
Accrued salaries and wages		4,368
TOTAL CURRENT LIABILITIES		7,377

LONG-TERM LIABILITY

Due to Lydia's House, Inc.		66,615
TOTAL LIABILITIES		73,992

NET ASSETS (DEFICIT)

Member capital contribution		100
Unrestricted deficit		(64,861)
TOTAL NET DEFICIT		(64,761)
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$	9,231

See Independent Auditors' Report.

LYDIA'S LADLE, LLC
SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

REVENUES, GAINS AND SUPPORT

Sales - food products	\$	30,123
Miscellaneous		6
TOTAL REVENUES, GAINS AND SUPPORT		30,129

COST OF SALES

Food costs		14,574
Packaging costs		6,736
Kitchen supplies and equipment		961
Delivery costs		318
Uniforms		224
TOTAL COST OF SALES		22,813

GROSS PROFIT		7,316
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EXPENSES

Program		29,116
Management and general		4,345
TOTAL EXPENSES		33,461

CHANGE IN NET ASSETS		(26,145)
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NET DEFICIT - BEGINNING OF YEAR		(38,716)
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NET DEFICIT - END OF YEAR		\$ (64,861)
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LYDIA'S LADLE, LLC
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>PROGRAM</u>	<u>MANAGEMENT AND GENERAL</u>	<u>TOTAL</u>
Salaries and wages	\$ 24,557	\$ 3,806	\$ 28,363
Payroll taxes and fringe benefits	3,534	529	4,063
Insurance	38	-	38
Miscellaneous	151	10	161
Postage	129	-	129
Supplies	707	-	707
TOTAL	<u>\$ 29,116</u>	<u>\$ 4,345</u>	<u>\$ 33,461</u>

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