

SIENA/FRANCIS HOUSE
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

SIENA/FRANCIS HOUSE
AND SUBSIDIARIES

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Siena/Francis House
Omaha, Nebraska

We have audited the accompanying consolidated financial statements of Siena/Francis House and Subsidiaries (Siena), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Siena/Francis House and subsidiaries as of December 31, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Supplementary Schedules 1 and 2 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual entities, and it 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 consolidating 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 consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

FRANKEL ZACHARIA LLC

April 10, 2018

SIENA/FRANCIS HOUSE
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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2017 and 2016

	2017	2016
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,523,350	\$ 3,011,640
Grants receivable	279,114	268,793
Contribution receivable	-	150,000
Prepaid expenses and other	62,491	19,007
Restricted cash	991,377	992,476
Property and equipment - net	8,861,534	9,240,017
Donated items on hand	-	40,000
Investments	247,697	-
Other assets	9,081	18,345
Beneficial interest in investments held by others	790,216	-
	\$ 13,764,860	\$ 13,740,278
 <u>LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 312,956	\$ 316,897
AHP note payable	400,000	400,000
	712,956	716,897
 <u>NET ASSETS</u>		
Unrestricted:		
Designated by Board	1,119,228	1,116,992
Undesignated	7,117,210	7,532,677
Non-controlling interest in L.P.	3,848,473	4,076,219
Total Unrestricted	12,084,911	12,725,888
Temporarily restricted	176,777	297,493
Permanently restricted	790,216	-
	13,051,904	13,023,381
	\$ 13,764,860	\$ 13,740,278

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

SIENA/FRANCIS HOUSE
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CONSOLIDATED STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>REVENUE, SUPPORT AND OTHER GAINS</u>				
Contributions and other grants	\$ 3,158,151	373,676	742,342	4,274,169
Government grants	397,768	159,604	-	557,372
Non-cash donations	3,756,226	-	-	3,756,226
Special events	92,150	-	-	92,150
Rental - net	125,142	-	-	125,142
Net investment income	929	-	47,874	48,803
Other	4,506	-	-	4,506
Net assets released from restrictions:				
Satisfaction of program restrictions	530,053	(530,053)	-	-
TOTAL REVENUE, SUPPORT AND OTHER GAINS	8,064,925	3,227	790,216	8,858,368
 <u>EXPENSES AND LOSSES</u>				
Program services	7,497,732	-	-	7,497,732
Management and general	753,910	-	-	753,910
Fundraising	428,203	-	-	428,203
TOTAL EXPENSES	8,679,845	-	-	8,679,845
Loss on contribution receivable (Note 5)	26,057	123,943	-	150,000
TOTAL EXPENSES AND LOSSES	8,705,902	123,943	-	8,829,845
 CHANGE IN NET ASSETS	 (640,977)	 (120,716)	 790,216	 28,523
NET ASSETS - Beginning of year	12,725,888	297,493	-	13,023,381
NET ASSETS - End of year	\$ 12,084,911	176,777	790,216	13,051,904

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

SIENA/FRANCIS HOUSE
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CONSOLIDATED STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>REVENUE AND SUPPORT</u>				
Contributions and other grants	\$ 3,020,562	405,092	-	3,425,654
Government grants	363,336	157,904	-	521,240
Non-cash donations	4,009,313	-	-	4,009,313
Special events	93,724	-	-	93,724
Rental - net	125,431	-	-	125,431
Other	2,933	-	-	2,933
Net assets released from restrictions:				
Satisfaction of program restrictions	508,693	(508,693)	-	-
TOTAL REVENUE AND SUPPORT	8,123,992	54,303	-	8,178,295
 <u>EXPENSES</u>				
Program services	7,339,813	-	-	7,339,813
Management and general	633,064	-	-	633,064
Fundraising	387,418	-	-	387,418
TOTAL EXPENSES	8,360,295	-	-	8,360,295
 CHANGE IN NET ASSETS				
	(236,303)	54,303	-	(182,000)
 NET ASSETS - Beginning of year				
	12,962,191	243,190	-	13,205,381
 NET ASSETS - End of year				
	\$ 12,725,888	297,493	-	13,023,381

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

SIENA/FRANCIS HOUSE
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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2017

	Permanent Supportive Housing Program Expenses	Siena/Francis House Program Expenses	Total
Salaries and wages	\$ 26,233	1,703,669	1,729,902
Assistance to guests	-	2,879,077	2,879,077
Auto repair and gas	54	28,816	28,870
Depreciation and amortization	190,325	266,302	456,627
Employee benefits	2,211	272,613	274,824
Food	-	916,030	916,030
Insurance	23,505	65,216	88,721
Donation	-	100,620	100,620
Miscellaneous	2,131	46,556	48,687
Office supplies	12,183	49,455	61,638
Program supplies	31,167	64,476	95,643
Information systems	-	57,603	57,603
Payroll taxes	1,642	128,560	130,202
Professional fees	23,179	-	23,179
Repairs and maintenance	10,366	103,761	114,127
Stipends	-	231,708	231,708
Telephone	6,592	60,138	66,730
Utilities	44,749	148,795	193,544
	<u>\$ 374,337</u>	<u>7,123,395</u>	<u>7,497,732</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

SIENA/FRANCIS HOUSE
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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED

FOR THE YEAR ENDED DECEMBER 31, 2017

	Program Services	Management and General	Fund Raising	Total
Salaries and wages	1,729,902	270,114	121,751	2,121,767
Assistance to guests	2,879,077	-	-	2,879,077
Auto repair and gas	28,870	-	-	28,870
Depreciation and amortization	456,627	1,481	1,481	459,589
Employee benefits	274,824	43,222	19,482	337,528
Food	916,030	-	-	916,030
Direct mail appeals	-	-	222,999	222,999
Special events	-	-	35,758	35,758
Administration	-	11,732	-	11,732
Insurance	88,721	5,294	1,457	95,472
Donation	100,620	-	-	100,620
Miscellaneous	48,687	6,068	2,735	57,490
Office supplies	61,638	7,841	3,534	73,013
Program supplies	95,643	-	-	95,643
Information systems	57,603	9,133	4,117	70,853
Payroll taxes	130,202	20,383	9,187	159,772
Professional fees	23,179	330,015	-	353,194
Management fees	-	25,160	-	25,160
Compliance fees	-	12,528	-	12,528
Repairs and maintenance	114,127	577	577	115,281
Stipends	231,708	-	-	231,708
Telephone	66,730	9,535	4,298	80,563
Utilities	193,544	827	827	195,198
	<u>\$ 7,497,732</u>	<u>753,910</u>	<u>428,203</u>	<u>8,679,845</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

SIENA/FRANCIS HOUSE
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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2016

	Permanent Supportive Housing Program Expenses	Siena/Francis House Program Expenses	Total
Salaries and wages	\$ 28,405	1,488,461	1,516,866
Assistance to guests	-	3,146,520	3,146,520
Auto repair and gas	-	25,354	25,354
Depreciation and amortization	190,506	260,507	451,013
Employee benefits	2,517	202,571	205,088
Food	-	900,775	900,775
Insurance	24,630	82,628	107,258
Miscellaneous	4,555	41,118	45,673
Office supplies	17,449	63,285	80,734
Program supplies	29,636	43,766	73,402
Information systems	-	68,467	68,467
Payroll taxes	1,541	112,026	113,567
Professional fees	41,514	-	41,514
Repairs and maintenance	10,794	87,516	98,310
Stipends	-	227,292	227,292
Telephone	5,182	48,368	53,550
Utilities	44,813	139,617	184,430
	<u>\$ 401,542</u>	<u>6,938,271</u>	<u>7,339,813</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

SIENA/FRANCIS HOUSE
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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED

FOR THE YEAR ENDED DECEMBER 31, 2016

	Program Services	Management and General	Fund Raising	Total
Salaries and wages	\$ 1,516,866	361,275	94,694	1,972,835
Assistance to guests	3,146,520	-	-	3,146,520
Auto repair and gas	25,354	-	-	25,354
Depreciation and amortization	451,013	1,449	1,449	453,911
Employee benefits	205,088	49,167	12,887	267,142
Food	900,775	-	-	900,775
Direct mail appeals	-	-	214,924	214,924
Special events	-	-	40,610	40,610
Administration	-	21,217	-	21,217
Insurance	107,258	7,852	1,674	116,784
Miscellaneous	45,673	5,077	1,331	52,081
Office supplies	80,734	15,360	4,026	100,120
Program supplies	73,402	-	-	73,402
Information systems	68,467	16,618	4,356	89,441
Payroll taxes	113,567	27,191	7,127	147,885
Professional fees	41,514	77,169	-	118,683
Management fees	-	25,160	-	25,160
Compliance fees	-	12,526	-	12,526
Repairs and maintenance	98,310	487	487	99,284
Stipends	227,292	-	-	227,292
Telephone	53,550	11,740	3,077	68,367
Utilities	184,430	776	776	185,982
	<u>\$ 7,339,813</u>	<u>633,064</u>	<u>387,418</u>	<u>8,360,295</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 and 2016

	2017	2016
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Government grants	\$ 547,051	\$ 511,620
Contributions and other	3,748,121	3,541,587
Interest and dividends received	4,278	4,102
Cash paid to suppliers and employees	(4,467,099)	(3,810,247)
Interest paid	(49)	(851)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(167,698)	246,211
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchases of property and equipment	(79,227)	(262,900)
Purchases of investments	(247,500)	(4,155)
Transfer to endowment fund	(742,342)	-
Proceeds from sale of investments	4,987	-
Net withdrawals from restricted cash	1,148	1,626
NET CASH USED FOR INVESTING ACTIVITIES	(1,062,934)	(265,429)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Contributions restricted for endowment	742,342	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(488,290)	(19,218)
<u>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</u>	3,011,640	3,030,858
<u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u>	\$ 2,523,350	\$ 3,011,640
<u>RECONCILIATION OF NET INCOME/(LOSS) TO NET</u>		
<u>CASH FROM OPERATING ACTIVITIES</u>		
Change in net assets	28,523	(182,000)
Contributions restricted for endowment	(742,342)	-
Depreciation and amortization	459,589	453,911
Loss on contribution receivable	150,000	-
Net investment income	(48,803)	-
Loss on donated items on hand	1,250	5,000
Other	-	4,994
(Increase)/decrease in:		
Grants receivable	(10,321)	(9,620)
Contributions receivable	-	(103,550)
Other assets	1,830	(50)
Other receivables	-	10,118
Prepaid expenses and other	(47,075)	18,724
Donated items on hand	40,000	-
Increase/(decrease) in:		
Accounts payable and accrued expenses	(349)	48,684
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (167,698)	\$ 246,211

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

None noted.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

1. NATURE OF THE ORGANIZATION

The Siena/Francis House, located in Omaha, Nebraska, welcomes, shelters, and empowers individuals experiencing homelessness to navigate their own path to safe and appropriate housing.

Siena/Francis House Permanent Supportive Housing, Limited Partnership (the L.P.) consists of forty-eight apartment units which house homeless men and women who have a disabling condition and a community services facility which contains offices for Siena employees and employees of partnering agencies, classrooms, meeting rooms and nursing stations, both located in Omaha, Nebraska.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Siena have been prepared on the accrual basis of accounting, which recognizes income when earned and expenses when incurred. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

Financial statement presentation is in accordance with FASB Accounting Standards Codification (ASC) 958. Siena is, therefore, required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation.

Temporarily restricted net assets are those net assets whose use by Siena has been limited by donor or grant-imposed stipulations to later periods of time or to specified purposes.

Permanently restricted net assets are those net assets whose use by Siena have donor-imposed restrictions that stipulate resources be maintained permanently, but permit the use of part or all of the income derived from the donated assets. At December 31, 2017 and 2016, Siena had \$790,216 and \$0 permanently restricted net assets, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Principles of Consolidation

The consolidated financial statements include the accounts of Siena, Siena/Francis General Partner LLC and Siena/Francis House Permanent Supportive Housing, L.P., a Nebraska limited partnership (the L.P.). Siena is the general partner of the L.P. It has been determined that the limited partner of the L.P. does not have substantive participating or protective rights. As such, Siena is presumed to control the L.P. and has consolidated the L.P.'s financial statements with its own financial statements. All significant inter-entity transactions are eliminated from the consolidated financial statements.

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Cash and Cash Equivalents

For purposes of the statement of cash flows, Siena considers short-term, highly liquid investments with three months or less to maturity and money market funds to be cash equivalents.

Investments

Investments are reported at fair value. Fair value is 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. Changes in the fair value of investments are reported in the statement of activities. Dividends and interest are recognized as earned.

Contributions

In accordance with FASB ASC 958, contributions received are being recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

From time to time, Siena receives contributions of marketable securities which are subsequently converted to cash. However, during the holding period, gains and losses are recognized and are considered unrestricted unless otherwise specified by the donor.

SIENA/FRANCIS HOUSE
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Noncash Contributions

Siena values noncash donations at estimated fair value on the date of donation based on items donated and the current Salvation Army donation value guide. Siena recorded \$3.8 million and \$4.0 million of such donations as contribution revenue and program service expense in 2017 and 2016, respectively.

Contributed Services

No amounts have been reflected in the financial statements for donated services. Siena generally pays for services requiring specific expertise. However, a substantial number of volunteers contribute significant amounts of time to the activities of Siena, but these services do not meet the criteria for recognition under FASB ASC 958-605.

Grants and Contributions Receivable

Siena considers the grants and contributions receivable to be fully collectible. Accordingly, no allowance is deemed necessary.

Property and Equipment

Property and equipment are recorded at cost, unless donated, and are depreciated using the straight-line method over estimated lives of 3 to 40 years. It is Siena's policy to capitalize items over \$1,000.

Donations of property and equipment are recorded at their estimated fair value on the date of donation. Such donations are reported as unrestricted unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted. Absent donor stipulations regarding how long those donated assets must be maintained, Siena reports expiration of donor restrictions when the donated or acquired assets are placed in service.

Rental Revenue

Rental revenue reflects the gross rent potential based on the approved contract rent amounts less vacancy losses. Tenant rent is due on the first of the month for that month.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

3. RESTRICTED CASH

Siena's restricted cash balance is comprised of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Replacement Reserve	\$ 28,620	\$ 30,481
Operating Reserve	98,592	98,562
Supplemental Operating Reserve	347,673	347,384
Tenant Security Deposit Funds	12,429	12,380
Collateral Security Funds	<u>504,063</u>	<u>503,669</u>
	<u>\$ 991,377</u>	<u>\$ 992,476</u>

Replacement Reserve

The L.P. is required to maintain a reserve to fund repairs, capital expenditures and other costs approved by the Limited Partner. The replacement reserve is to be funded in the amount of \$250 per apartment unit per year, and shall increase by ten percent on each fifth anniversary. At December 31, 2017 and 2016, all such required contributions had been made.

Operating Reserve

The L.P. is required to fund an operating reserve of at least \$98,333. Withdrawals must be approved by the Limited Partner. As of December 31, 2017 and 2016, the Operating Reserve had been fully funded.

Supplemental Operating Reserve

The L.P. is required to fund a supplemental operating reserve account of at least \$346,047. Withdrawals must be approved by the Limited Partner and can only be used to supplement lost annual rental subsidy. As of December 31, 2017 and 2016, the Supplemental Operating Reserve has been fully funded.

Collateral Security Funds

In accordance with the limited partnership agreement, Siena is required to maintain a pledge account of at least \$500,000 as collateral security for its obligations under the agreement. This account is for the benefit of the limited partner, and disbursements from and termination of the account requires the approval of the limited partner.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

4. GRANTS RECEIVABLE

Siena receives grants from various entities. The detail of the grants receivable and the respective granting agency at December 31, 2017 and 2016 is listed below.

	<u>2017</u>
United Way Grants	\$153,550
Emergency Solutions Grant – Dept. of Housing and Urban Development	98,413
Veterans Affairs Grant - Dept. of Veterans' Affairs	17,217
Supportive Housing Project A - Dept. of Housing and Urban Development	<u>9,934</u>
	<u>\$279,114</u>
	<u>2016</u>
United Way Grants	\$153,550
Emergency Solutions Grant – Dept. of Housing and Urban Development	90,015
Veterans Affairs Grant - Dept. of Veterans' Affairs	15,294
Supportive Housing Project A - Dept. of Housing and Urban Development	<u>9,934</u>
	<u>\$268,793</u>

Siena expects to collect all grants within the next year.

5. CONTRIBUTION RECEIVABLE

Contribution receivable at December 31, 2016 was a single pledge for a campus expansion project. It was to be collected \$50,000 per year over four years beginning in 2016. In 2016, \$50,000 was collected on this receivable. In 2017, Siena was notified that due to changes made to the campus expansion project the donor will be discontinuing its planned support of the project. The donor will reevaluate support for the project once the new campus expansion plan is complete. Accordingly, the \$150,000 shown as a contribution receivable at December 31, 2016 has been reduced to \$0 at December 31, 2017.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

6. FAIR VALUE MEASUREMENTS

Siena reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The asset or liability's measurement within the fair value hierarchy is based on the lowest level of input that is significant to the measurement. The three levels of inputs used to measure fair value are as follows:

Level 1. Quoted prices for identical assets or liabilities in active markets to which Siena has access at the measurement date.

Level 2. Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets in markets that are not active;
- observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
- inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, Siena measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

The primary uses of fair value measures in Siena's financial statements are:

- Recurring measurement of investments.
- Recurring measurement of beneficial interest in investments held by others.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

6. FAIR VALUE MEASUREMENTS – continued

Siena uses the following to determine the fair value of its investments and beneficial interest in investments held by others:

Mutual funds: determined by the closing price in the actively traded market.

Beneficial interest in investments held by others: valued at the fair value of Siena’s share of the Omaha Community Foundation’s investment pool as of the measurement date.

The valuation methodology could produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Siena believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, Siena’s investments and beneficial interest in investments held by others at December 31, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 247,697	\$ -	\$ -	\$ 247,697
Beneficial interest in investments held by others	\$ -	\$ -	\$ 790,216	\$ 790,216

There were no transfers between the levels during the year ended December 31, 2017.

The following table summarizes Siena’s Level 3 beneficial interest in investments held by others during 2017:

Balance at December 31, 2016	\$ -
Initial investment	742,342
Share of appreciation of fund	<u>47,874</u>
Balance at December 31, 2017	<u>\$ 790,216</u>

SIENA/FRANCIS HOUSE
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

7. INVESTMENTS AND BENEFICIAL INTERESTS IN INVESTMENTS HELD BY OTHERS

Investments and beneficial interest in investments held by others at December 31, 2017 include:

	Cost	Net Unrealized		Fair Value
		Gain	Loss	
Mutual funds	247,974	--	277	247,697
Beneficial interest in investments held by others	742,342	47,874	--	790,216
Balance at December 31, 2017	\$ 990,316	47,874	277	1,037,913

Net investment income includes the following:

	2017
Net realized and unrealized gains	\$ 550
Interest and dividends	474
Administrative fees	(95)
Change in beneficial interest in investments held by others	47,874
Total net investment return	\$ 48,803

In 2017, Siena transferred \$742,342 to The Omaha Community Foundation (OCF) under an Agency Endowment Agreement (Agreement) to establish the Siena Francis House Endowment Fund (the Fund) to support the charitable purpose of Siena. At the time of the transfer, Siena granted variance power to OCF. That power gives OCF the right to distribute the assets of the Fund and investment income to another not-for-profit entity of its choice if Siena ceases to exist or if the governing board of OCF votes that support for Siena (a) is no longer necessary or (b) is inconsistent with the needs of the Foundation. Under the terms of the Agreement, Siena may request distributions from the Fund in an amount not to exceed the current OCF endowment annual fund net asset spending percentage. The annual spending percentage is set from time to time by the board of directors of OCF. The current annual spending percentage is 4.5%. At December 31, 2017 the Fund has a value of \$790,216, which is reported in the Statement of Financial Position as beneficial interest in investments held by others.

SIENA/FRANCIS HOUSE
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

8. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2017 and 2016 consists of:

	2017	2016
Land	\$ 1,398,191	\$ 1,398,191
Land improvements	44,427	34,275
Buildings	10,664,780	10,664,780
Construction in progress	179,257	179,257
Equipment	427,839	358,765
Vehicles	<u>276,810</u>	<u>276,810</u>
	\$12,991,304	\$12,912,078
Less: accumulated depreciation	(4,129,770)	(3,672,061)
	<u>\$ 8,861,534</u>	<u>\$ 9,240,017</u>

Depreciation expense for the years ended December 31, 2017 and 2016 was \$457,709 and \$452,032, respectively.

9. GRANT AND LOAN AGREEMENTS

Siena and the L.P. are parties to agreements with the U.S. Department of Housing and Urban Development (HUD) and the Federal Home Loan Bank of Topeka (the FHLB) related to the funding of the permanent supportive housing facilities.

Supportive Housing Program (SHP) Loan Agreements

The SHP loan agreement is between Siena, as the lender, and the L.P., as the borrower. The interest rate is 3.45% per annum. Annual payments are based on available cash flow, with all unpaid principal and interest due on October 31, 2057. This note has been eliminated upon consolidation.

The loan amount of \$640,117 was funded by two grants awarded in 2011 to Siena from HUD. Siena has provided HUD a deed restriction to secure HUD's repayment of the grants if a default of the grant agreements should occur. The L.P. has provided Siena a second deed of trust on the property.

SIENA/FRANCIS HOUSE
AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

9. GRANT AND LOAN AGREEMENTS -- continued

Affordable Housing Program (AHP) Loan Agreement

The agreements with FHLB consist of: (1) an AHP Loan Agreement; (2) two separate promissory notes between Siena and the L.P. totaling \$400,000; and (3) two separate promissory notes between Siena and American National Bank (ANB) totaling \$400,000. The loan agreement indicates that ANB is the member bank for the FHLB, the L.P. is the owner and Siena is the sponsor. Siena loaned an additional \$400,000 to the L.P. under the same terms after expected AHP funding changed.

The promissory notes between Siena and the L.P. are non-interest bearing. The notes are due upon the date which the property is sold or refinanced; or, December 31, 2058. These notes are eliminated upon consolidation.

The promissory notes between Siena and ANB state that Siena promises to pay ANB the principal sum without interest, except upon an event of default. If no default occurs, the notes shall be forgiven if the FHLB's AHP requirements are met upon the 15-year anniversary (October 24, 2027). The notes are secured by a deed of trust on the related property.

10. NET ASSETS

Unrestricted

The Board of Directors has designated funds for an operating reserve with the annual income available for current operations. The amount of designated unrestricted net assets at December 31, 2017 and 2016, was \$1,119,228 and \$1,116,992, respectively.

Temporarily Restricted Net Assets

Donor-imposed restrictions on net assets are considered temporary restrictions. Such net assets are available at December 31, 2017 and 2016, with the following restrictions:

	<u>2017</u>	<u>2016</u>
Purpose restrictions	\$ 23,227	\$ 143,943
Time restrictions	<u>153,550</u>	<u>153,550</u>
	<u>\$ 176,777</u>	<u>\$ 297,493</u>

SIENA/FRANCIS HOUSE
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

10. NET ASSETS – continued

Net assets were released from donor restrictions during 2017 and 2016 by incurring expenses satisfying donor restrictions as follows:

	2017	2016
Purpose restrictions:		
Day facility	\$ 255,500	\$ 231,642
Campus expansion	-	179,257
Finding A Voice	400	12,305
Keep Omaha Beautiful	17,000	17,500
Supportive Housing Project A	59,604	57,904
Other	43,999	10,085
	376,503	508,693
Time restrictions:		
Day services center	153,550	-
	\$ 530,053	\$ 508,693

Permanently Restricted Net Assets

Permanently restricted net assets consisted of the following at December 31, 2017 and 2016:

	2017	2016
Beneficial interest in investments held by others	\$ 790,216	\$ -

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

11. CHANGES IN NET ASSETS

Per FASB ASC 958-810-50-4 and 50-5, consolidated financial statements are required to provide a schedule of changes in consolidated net assets reconciling beginning and ending balances attributable to the parent and to the non-controlling interest.

The detail of the changes in net assets at December 31, 2017 for Siena and the non-controlling interest in the L.P. are as follows:

	<u>Siena</u>	<u>Non-Controlling Interest in L.P.</u>	<u>Total</u>
Unrestricted Net Assets at December 31, 2016	\$ 8,649,669	\$ 4,076,219	\$ 12,725,888
Increase/(decrease) in Net Assets	(413,231)	(227,746)	(640,977)
Unrestricted Net Assets at December 31, 2017	<u>\$ 8,236,438</u>	<u>\$ 3,848,473</u>	<u>\$ 12,084,911</u>
Temporarily Restricted Net Assets at December 31, 2016	\$ 297,493	\$ -	\$ 297,493
Decrease in Net Assets	(120,716)	-	(120,716)
Temporarily Restricted Net Assets at December 31, 2017	<u>\$ 176,777</u>	<u>\$ -</u>	<u>\$ 176,777</u>
Permanently Restricted Net Assets at December 31, 2016	\$ -	\$ -	\$ -
Increase in Net Assets	<u>790,216</u>	-	<u>790,216</u>
Permanently Restricted Net Assets at December 31, 2017	<u>\$ 790,216</u>	<u>\$ -</u>	<u>\$ 790,216</u>
Total Net Assets at December 31, 2017	<u>\$ 9,203,431</u>	<u>\$ 3,848,473</u>	<u>\$ 13,051,904</u>

SIENA/FRANCIS HOUSE
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

11. CHANGES IN NET ASSETS – continued

The detail of the changes in net assets at December 31, 2016 for Siena and the non-controlling interest in the L.P. are as follows:

	<u>Siena</u>	<u>Non-Controlling Interest in L.P.</u>	<u>Total</u>
Unrestricted Net Assets at December 31, 2015	\$ 8,631,013	\$ 4,331,178	\$ 12,962,191
Increase/(decrease) in Net Assets	<u>18,656</u>	<u>(254,959)</u>	<u>(236,303)</u>
Unrestricted Net Assets at December 31, 2016	<u>\$ 8,649,669</u>	<u>\$ 4,076,219</u>	<u>\$ 12,725,888</u>
Temporarily Restricted Net Assets at December 31, 2015	\$ 243,190	\$ -	\$ 243,190
Increase in Net Assets	<u>54,303</u>	<u>-</u>	<u>54,303</u>
Temporarily Restricted Net Assets at December 31, 2016	<u>\$ 297,493</u>	<u>\$ -</u>	<u>\$ 297,493</u>
Total Net Assets at December 31, 2016	<u>\$ 8,947,162</u>	<u>\$ 4,076,219</u>	<u>\$ 13,023,381</u>

12. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

13. CONCENTRATION OF CREDIT RISK

Siena maintains cash in demand deposit and money market accounts with federally insured banks. At times, the balances in these accounts may be in excess of federally insured limits as detailed in the following table. Siena also maintains cash in money market funds at a brokerage firm that is a member of the SIPC (Securities Investor Protection Corporation). These accounts are insured subject to applicable limits which includes "excess SIPC" insurance. The balance in excess of FDIC and SIPC limits was \$1,896,429 at December 31, 2017.

SIENA/FRANCIS HOUSE
AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

13. CONCENTRATION OF CREDIT RISK - continued

	Bank Balance	Insured Amount	Amount of Uninsured Bank Balance
American National Bank	\$ 794,900	\$ 250,000	\$ 544,900
First National Bank	252,635	250,000	2,635
Security National Bank	250,717	250,000	717
Bank of The West	10,012	10,012	-
Mutual of Omaha Bank	1,119,228	250,000	869,228
TD Ameritrade	31,438	31,438	-
Great Western Bank	<u>15,874</u>	<u>15,874</u>	<u>-</u>
	\$ 2,474,804	\$ 1,057,324	\$ 1,417,480
US Bank - Restricted cash	978,949	500,000	478,949
Great Western Bank – Restricted cash	<u>12,429</u>	<u>12,429</u>	<u>-</u>
	<u>\$ 3,466,182</u>	<u>\$ 1,569,753</u>	<u>\$ 1,896,429</u>

Management does not believe that Siena is exposed to any significant credit risk related to these balances.

14. CONTINGENCIES

Siena participates in federal grant programs that are subject to review and audit by the grantor agency. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditures of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of Siena.

The L.P. has received an allocation from the Nebraska Investment Finance Authority (NIFA) anticipated to generate \$6,262,300 of low-income housing tax credits. Generally, these tax credits become available for use by its partners, pro-rata, over a ten-year period that began in 2013. Because these tax credits are subject to complying with federal and state regulatory requirements, there can be no assurance that the aggregate amount of the tax credits will be realized. Failure to meet all requirements may result in generating a lesser amount of tax credits than the expected amount. Also, failure to maintain compliance with occupant eligibility conditions, unit gross rent conditions, or corrections to noncompliance could result in recapture of previously taken tax credits plus interest.

A Declaration of Restrictive Covenants between the United States Department of Housing and Urban Development (HUD) and Siena binds Siena to use the project for supportive housing for low-income persons for 20 years. If the project fails to comply within 10 years, Siena is obligated to repay HUD up to the \$753,426 of assistance it received from the Supportive Housing Grants. After the initial ten-year period, HUD shall reduce the percentage required to be repaid by 10 percentage points for each year Siena is in compliance.

SIENA/FRANCIS HOUSE
AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

14. CONTINGENCIES – continued

A portion of the L.P.'s land was acquired by Siena from the City of Omaha (the City). Siena transferred this property to the L.P. The City restricted the use of the land for five years from the date of occupancy in February 2013. The property must be used for multi-residential buildings for low income individuals and a community service facility for the homeless or other uses that are in substantial conformance with defined redevelopment plans. If Siena fails to comply, either the property is to be deeded to the City or the City is to be compensated in amounts up to \$100,000.

15. COMMITMENT

In November 2015, Siena purchased a parcel of land for \$957,963 to be used for the expansion of its homeless shelter. Demolition of buildings and trees on this land was completed in 2016 at a cost of \$179,257, which is included in construction in progress at December 31, 2017 and 2016. Siena plans to finish remediation and cleanup of the site and start expansion once sufficient funds are raised for the project. The expansion of Siena's homeless shelter had not yet begun as of December 31, 2017.

In 2015, Siena received a donated vehicle valued at \$50,000. Donor requirements stipulate that when this vehicle is sold half of the proceeds realized from the sale must be donated by Siena to the Post Traumatic Growth Institute (PTGI). The vehicle was not sold in 2016 and Siena determined that the vehicle's value needed to be adjusted. The value recorded in donated items at December 31, 2016 was \$40,000, with a corresponding liability to PTGI of \$20,000. Siena recognized an impairment loss of \$5,000 which is reflected in the Consolidated Statement of Activities. The vehicle was sold for \$37,500 in April of 2017 of which half of the proceeds was donated to the PTGI, per donor requirements. Siena recognized an impairment loss of \$1,250 due to the difference between the actual value and the sale amount which is reflected in the Consolidated Statement of Activities.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(continued)

16. AFFILIATED ORGANIZATION

On December 31, 2016, Siena partnered with Restored Hope, a not for profit organization that provides sanctuary, advancement, and community to single mothers and their children in abusive environments, and a private foundation under a Memorandum of Understanding (MOU). The goal of the MOU is to sustain the Restored Hope program. Under the MOU, Restored Hope approved three employees of Siena as new members of the Restored Hope board of directors. In addition, Siena agreed to provide supervision to the current staff of Restored Hope and assist with fundraising efforts, and provide operational funds of up to \$100,000, during the period covered by the MOU. The MOU provided for the assumption of Restored Hope by Siena after a twelve-month transitional period ending on December 31, 2017, if approved by Siena.

At the conclusion of the transitional period, Siena determined that Restored Hope would not fit within the umbrella of services provided by Siena. The existing MOU with the private foundation was allowed to expire on December 31, 2017. Effective February 1, 2018, board members that were affiliated with Siena/Francis House resigned. On February 2, 2018, a new MOU was executed which recognized 1) the transfer of management and administration of the Restored Hope operation from Siena to another non-profit corporation, 2) the resignation of Siena's administrators serving on the board of directors for Restored Hope and 3) that the original MOU was expired and will be treated as if it never existed.

17. RETIREMENT PLAN

Siena sponsors a SIMPLE IRA plan for all employees who meet plan criteria. Employees may contribute up to \$12,500 for 2017. Employees age 50 or over may also make catch-up contributions. Siena is required to make matching contributions up to 3% of employee compensation for eligible participants. Siena's contributions were \$41,129 in 2017 and \$33,833 in 2016. These amounts are included in employee benefits expense on the Statement of Functional Expenses.

18. INCOME TAXES

Siena is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Siena is subject to a tax on income from any unrelated business. The L.P. is not a taxpaying entity for federal income tax purposes, and thus no income tax expense has been recorded in the statements. Income from the L.P. is taxed to the partners in their appropriate tax returns.

SIENA/FRANCIS HOUSE
AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(continued)

18. INCOME TAXES - continued

Siena adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. Management believes nothing has occurred to negate its exemption from income taxes and related tax filings. Management anticipates that income tax filing positions would be sustained upon examination and does not expect any adjustments that would result in a material adverse effect on Siena's financial condition, activities or cash flows. Accordingly, Siena has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at December 31, 2017.

Siena's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively, if incurred.

19. SUBSEQUENT EVENTS

In connection with the preparation of the financial statements and in accordance with Financial Accounting Standards Board *Accounting Standards Codification 855, Subsequent Events*, Siena's management evaluated subsequent events after the statement of financial position date of December 31, 2017, through April 10, 2018, the date the report was available to be issued, noting that the following subsequent events warranted disclosure in these statements.

On February 2, 2018, Siena terminated its affiliation with Restored Hope. Refer to Note 17 for details.

On February 12, 2018, Siena signed a development agreement with a Nebraska nonprofit corporation trust. Under the terms of the agreement, the trust will raise funds through donations and grants for the construction of a new homeless shelter building. The trust will also manage the construction of the building. Such construction may require the demolition of existing buildings.

20. RECENTLY ISSUED PRONOUNCEMENTS

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14 *Not-For-Profit Entities (Topic 958)*. This standard is part of a project to improve net asset classification and information presented in financial statements and notes about a not-for-profit entity's liquidity, financial performance and cash flows. The standard will require net assets and changes in net assets on the face of the financial statements be presented in two classifications – *net assets with donor restrictions* and *net assets without donor restrictions*. The standard also requires additional disclosures in several areas including composition of net assets with donor restrictions, qualitative information about liquidity and methods used to allocate costs among program and support functions. This standard is effective for Goodwill's fiscal year ending December 31, 2018 with earlier adoption permitted. Management has not completed or evaluated the impact of the adoption of this standard on our financial statements.

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Supplementary Schedule 1

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2017

	Siena/Francis House	Siena/Francis House Permanent Supportive Housing L.P.	Eliminations	Consolidated Total
<u>ASSETS</u>				
Cash and cash equivalents	\$ 2,507,326	16,024	-	2,523,350
Grants receivable	279,114	-	-	279,114
Contribution receivable	-	-	-	-
Prepaid expenses and other	53,503	8,988	-	62,491
Restricted cash	504,063	487,314	-	991,377
Property and equipment - net	4,289,915	4,935,786	(364,167)	8,861,534
Due from Siena/Francis House L.P.	1,580,803	-	(1,580,803)	-
Investment in limited partnership	385	-	(385)	-
Investments	247,697	-	-	247,697
Other assets	-	32,269	(23,188)	9,081
Beneficial interest in investments held by others	790,216	0	-	790,216
TOTAL ASSETS	\$ 10,253,022	5,480,381	(1,968,543)	13,764,860
<u>LIABILITIES</u>				
Accounts payable and accrued expenses	\$ 285,424	50,720	(23,188)	312,956
Due to Siena/Francis House	-	1,580,803	(1,580,803)	-
AHP note payable	400,000	-	-	400,000
TOTAL LIABILITIES	685,424	1,631,523	(1,603,991)	712,956
<u>NET ASSETS</u>				
Unrestricted:				
Designated by Board	1,119,228	-	-	1,119,228
Undesignated	7,481,377	-	(364,167)	7,117,210
Non-controlling interest in L.P.	-	3,848,858	(385)	3,848,473
Total Unrestricted	8,600,605	3,848,858	(364,552)	12,084,911
Temporarily restricted	176,777	-	-	176,777
Permanently restricted	790,216	-	-	790,216
TOTAL NET ASSETS	9,567,598	3,848,858	(364,552)	13,051,904
 TOTAL LIABILITIES AND NET ASSETS	 \$ 10,253,022	 5,480,381	 (1,968,543)	 13,764,860

SIENA/FRANCIS HOUSE
AND SUBSIDIARIES

Supplementary Schedule 1

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
DECEMBER 31, 2016

	Siena/Francis House	Siena/Francis House Permanent Supportive Housing L.P.	Eliminations	Consolidated Total
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,002,004	9,636	-	3,011,640
Grants receivable	268,793	-	-	268,793
Contribution receivable	150,000	-	-	150,000
Prepaid expenses and other	12,464	6,543	-	19,007
Restricted cash	503,669	488,807	-	992,476
Property and equipment - net	4,479,951	5,136,914	(376,848)	9,240,017
Due from Siena/Francis House L.P.	1,547,976	-	(1,547,976)	-
Investment in limited partnership	408	-	(408)	-
Donated items on hand	40,000	-	-	40,000
Other assets	7,385	33,449	(22,489)	18,345
TOTAL ASSETS	<u>\$ 10,012,650</u>	<u>5,675,349</u>	<u>(1,947,721)</u>	<u>13,740,278</u>
 <u>LIABILITIES</u>				
Accounts payable and accrued expenses	\$ 288,640	50,746	(22,489)	316,897
Due to Siena/Francis House	-	1,547,976	(1,547,976)	-
AHP note payable	400,000	-	-	400,000
TOTAL LIABILITIES	<u>688,640</u>	<u>1,598,722</u>	<u>(1,570,465)</u>	<u>716,897</u>
 <u>NET ASSETS</u>				
Unrestricted:				
Designated by Board	1,116,992	-	-	1,116,992
Undesignated	7,909,525	-	(376,848)	7,532,677
Non-controlling interest in L.P.	-	4,076,627	(408)	4,076,219
Total Unrestricted	<u>9,026,517</u>	<u>4,076,627</u>	<u>(377,256)</u>	<u>12,725,888</u>
Temporarily restricted	297,493	-	-	297,493
Permanently restricted	-	-	-	-
TOTAL NET ASSETS	<u>9,324,010</u>	<u>4,076,627</u>	<u>(377,256)</u>	<u>13,023,381</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 10,012,650</u>	 <u>5,675,349</u>	 <u>(1,947,721)</u>	 <u>13,740,278</u>

SIENA/FRANCIS HOUSE
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Supplementary Schedule 2

CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	Siena/Francis House	Siena/Francis House Permanent Supportive Housing L.P.	Eliminations	Consolidated Total
<u>REVENUE, SUPPORT, AND OTHER GAINS</u>				
Contributions and other grants	\$ 4,274,169	-	-	4,274,169
Government grants	507,372	50,000	-	557,372
Non-cash donations	3,756,226	-	-	3,756,226
Special events	92,150	-	-	92,150
Rental - net	-	133,397	(8,255)	125,142
Net investment income	48,803	-	-	48,803
Other	29,951	39,705	(65,150)	4,506
Income from L.P.	(23)	-	23	-
TOTAL REVENUE, SUPPORT AND OTHER GAINS	8,708,648	223,102	(73,382)	8,858,368
<u>EXPENSES AND LOSSES</u>				
Program services	7,170,635	413,183	(86,086)	7,497,732
Management and general	716,222	37,688	-	753,910
Fundraising	428,203	-	-	428,203
TOTAL EXPENSES	8,315,060	450,871	(86,086)	8,679,845
Loss on contribution receivable (Note 5)	150,000	-	-	150,000
TOTAL EXPENSES AND LOSSES	8,465,060	450,871	(86,086)	8,829,845
CHANGE IN NET ASSETS	243,588	(227,769)	12,704	28,523
NET ASSETS - Beginning of year	9,324,010	4,076,627	(377,256)	13,023,381
NET ASSETS - End of year	\$ 9,567,598	3,848,858	(364,552)	13,051,904

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Supplementary Schedule 2

CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Siena/Francis House	Siena/Francis House Permanent Supportive Housing L.P.	Eliminations	Consolidated Total
<u>REVENUE AND SUPPORT</u>				
Contributions and other grants	\$ 3,425,654	-	-	3,425,654
Government grants	471,240	50,000	-	521,240
Non-cash donations	4,009,313	-	-	4,009,313
Special events	93,724	-	-	93,724
Rental - net	-	132,307	(6,876)	125,431
Other	27,300	39,965	(64,332)	2,933
Income from L.P.	(26)	-	26	-
	8,027,205	222,272	(71,182)	8,178,295
 <u>EXPENSES</u>				
Program services	6,982,520	439,570	(82,277)	7,339,813
Management and general	596,656	37,686	(1,278)	633,064
Fundraising	387,753	-	(335)	387,418
TOTAL EXPENSES	7,966,929	477,256	(83,890)	8,360,295
 CHANGE IN NET ASSETS	 60,276	 (254,984)	 12,708	 (182,000)
2.0.				
NET ASSETS - Beginning of year	9,263,734	4,331,611	(389,964)	13,205,381
NET ASSETS - End of year	\$ 9,324,010	4,076,627	(377,256)	13,023,381