

**PROVIDENCE HOUSE, INC.
AND AFFILIATES**

Consolidated Financial Statements
With Independent Auditors' Report

June 30, 2022 and 2021

PROVIDENCE HOUSE, INC. AND AFFILIATES

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Providence House, Inc. and Affiliates
Brooklyn, New York

Opinion

We have audited the accompanying consolidated financial statements of Providence House, Inc. and Affiliates which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, 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.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Providence House, Inc. and Affiliates as of June 30, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Providence House, Inc. and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated 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, 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 Providence House, Inc. and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

The Board of Directors
Providence House, Inc. and Affiliates
Brooklyn, New York

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 generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 Providence House, Inc. and Affiliates' 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 Providence House, Inc. and Affiliates 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.

Capin Crouse LLP

New York, New York
February 23, 2023

PROVIDENCE HOUSE, INC. AND AFFILIATES

Consolidated Statements of Financial Position

	June 30,	
	2022	2021
ASSETS:		
Cash and cash equivalents	\$ 772,964	\$ 826,800
Contributions and grants receivable	196,189	340,900
Program revenue receivable	4,473,037	3,405,183
Prepaid expenses	13,250	42,817
Investments	2,201,849	2,289,279
Reserve accounts	850,000	850,000
Interest receivable from affiliates	1,125,519	973,747
Notes receivable from affiliates	880,888	880,888
Property and equipment—net	2,090,525	2,189,561
Total Assets	\$ 12,604,221	\$ 11,799,175
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,065,679	\$ 1,073,727
Accrued payroll and related expenses	328,379	208,153
Line of credit	550,000	-
Total liabilities	1,944,058	1,281,880
Net assets:		
Without donor restrictions	9,808,026	9,711,858
With donor restrictions	852,137	805,437
Total net assets	10,660,163	10,517,295
Total Liabilities and Net Assets	\$ 12,604,221	\$ 11,799,175

See notes to consolidated financial statements

PROVIDENCE HOUSE, INC. AND AFFILIATES

Consolidated Statements of Activities

	Year Ended June 30,					
	2022			2021		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
OPERATING INCOME AND RELEASES:						
Contract revenue	\$ 10,085,268	\$ -	\$ 10,085,268	\$ 8,742,535	\$ -	\$ 8,742,535
Donations and grants	1,319,021	839,516	2,158,537	999,581	1,185,955	2,185,536
Refundable advance forgiveness	-	-	-	727,885	-	727,885
Developer fee income	141,828	-	141,828	278,488	-	278,488
Miscellaneous income	-	-	-	2,440	-	2,440
CACFP and EFSP food grant	21,939	-	21,939	70,940	-	70,940
Administrative overhead revenue	847,327	-	847,327	290,832	-	290,832
Donated services	-	-	-	86,115	-	86,115
Investment income	(498,647)	-	(498,647)	599,042	-	599,042
Satisfaction of purpose restrictions	792,816	(792,816)	-	816,970	(816,970)	-
Total Operating Income and Releases	12,709,552	46,700	12,756,252	12,614,828	368,985	12,983,813
OPERATING EXPENSES:						
Program expenses	10,548,159	-	10,548,159	8,876,815	-	8,876,815
Management and general	1,747,971	-	1,747,971	1,411,758	-	1,411,758
Fundraising	469,026	-	469,026	387,207	-	387,207
Total Operating Expenses	12,765,156	-	12,765,156	10,675,780	-	10,675,780
Change in Net Assets from Operating Activity	(55,604)	46,700	(8,904)	1,939,048	368,985	2,308,033

(continued)

See notes to consolidated financial statements

PROVIDENCE HOUSE, INC. AND AFFILIATES

Consolidated Statements of Activities

(continued)

	Year Ended June 30,					
	2022			2021		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
NONOPERATING ACTIVITY:						
Interest income on notes receivable	151,772	-	151,772	144,196	-	144,196
Change in Net Assets from Nonoperating Activity	151,772	-	151,772	144,196	-	144,196
Total Change in Net Assets	96,168	46,700	142,868	2,083,244	368,985	2,452,229
Net Assets, Beginning of Year	9,711,858	805,437	10,517,295	7,628,614	436,452	8,065,066
Net Assets, End of Year	\$ 9,808,026	\$ 852,137	\$ 10,660,163	\$ 9,711,858	\$ 805,437	\$ 10,517,295

See notes to consolidated financial statements

PROVIDENCE HOUSE, INC. AND AFFILIATES

Consolidated Statements of Functional Expenses

	Year Ended June 30,							
	2022			2021				
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and wages	\$ 3,315,596	\$ 753,378	\$ 193,417	\$ 4,262,391	\$ 2,888,690	\$ 441,793	\$ 204,054	\$ 3,534,537
Contract labor	2,604,078	-	-	2,604,078	1,680,581	700	-	1,681,281
Rent	1,694,400	15,048	64,987	1,774,435	1,284,633	-	-	1,284,633
Employee benefits	504,678	235,939	83,401	824,018	593,442	236,036	80,684	910,162
Equipment repairs, rentals and maintenance	690,038	25,206	1,601	716,845	542,854	59,531	1,198	603,583
Utilities	485,076	31,586	-	516,662	209,979	26,296	15	236,290
Professional fees	99,010	285,544	48,955	433,509	72,599	185,377	53,750	311,726
Supplies	261,963	43,964	22,872	328,799	672,133	63,988	5,511	741,632
Payroll taxes	243,934	55,150	14,391	313,475	207,074	42,947	14,612	264,633
Depreciation	208,472	42,684	-	251,156	145,007	44,144	-	189,151
Insurance	160,165	40,997	-	201,162	135,056	38,457	-	173,513
Miscellaneous	12,260	162,534	6,398	181,192	137,525	111,713	3,572	252,810
Telephone and internet	74,658	16,801	-	91,459	79,560	34,050	2,993	116,603
Advertising	84,949	-	-	84,949	42,055	1,567	430	44,052
Client assistance and scholarships	46,451	-	-	46,451	69,293	799	-	70,092
Events	198	15,527	21,079	36,804	-	11,697	10	11,707
Permits, licensing, and fees	17,056	5,075	-	22,131	51,591	77,605	-	129,196
Seminars and training (registration fees)	19,600	669	26	20,295	37,405	10,885	1,149	49,439
Travel	16,333	1,767	-	18,100	9,381	-	32	9,413
Printing	7,097	3,126	7,076	17,299	8,244	4,154	15,800	28,198
Dues and subscriptions	1,482	12,338	1,736	15,556	2,237	17,317	1,309	20,863
Postage and delivery	665	638	3,087	4,390	7,476	1,236	2,088	10,800
Interest expense	-	-	-	-	-	1,466	-	1,466
Total expenses	<u>\$10,548,159</u>	<u>\$ 1,747,971</u>	<u>\$ 469,026</u>	<u>\$12,765,156</u>	<u>\$ 8,876,815</u>	<u>\$ 1,411,758</u>	<u>\$ 387,207</u>	<u>\$ 10,675,780</u>

See notes to consolidated financial statements

PROVIDENCE HOUSE, INC. AND AFFILIATES

Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 142,868	\$ 2,452,229
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation expense	251,156	189,151
Realized and unrealized gain on investments	592,286	(570,478)
Forgiveness of refundable advance (Note 2)	-	(727,885)
Changes in:		
Contributions and grants receivable	144,711	(86,407)
Program revenue receivable	(1,067,854)	(1,211,242)
Prepaid expenses	29,567	(6,205)
Interest receivable from affiliates	(151,772)	(144,196)
Accounts payable and accrued expenses	(8,048)	188,340
Accrued payroll and related expenses	120,226	23,874
Net Cash Provided by Operating Activities	53,140	107,181
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(152,120)	(482,058)
Proceeds from sale of property and equipment	-	-
Purchases of investments	(1,420,046)	(406,150)
Proceeds from sale of investments	915,190	1,235,639
Net Cash Provided (Used) by Investing Activities	(656,976)	347,431
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from draw on line of credit	550,000	-
Net Cash Provided by Financing Activities	550,000	-
Change in Cash and Cash Equivalents	(53,836)	454,612
Cash and Cash Equivalents, Beginning of Year	826,800	372,188
Cash and Cash Equivalents, End of Year	\$ 772,964	\$ 826,800
SUPPLEMENTAL INFORMATION:		
Cash paid for interest	\$ -	\$ 1,466
Noncash operating transaction:		
Paycheck protection program refundable advance forgiveness recognized as revenue (Note 2)	\$ -	\$ 727,885

See notes to consolidated financial statements

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

1. NATURE OF ORGANIZATION:

Providence House, Inc. and Affiliates (Providence) is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Providence is principally engaged in providing transitional and permanent housing to women and families who are homeless or have histories in the criminal justice system. These services are provided in the City of New York and Westchester County, New York. Providence's primary sources of revenue are grants and contributions.

Providence Kosciuszko Housing Development Fund Corporation (PKHDFC), a nonprofit organization, was incorporated on August 21, 2009, pursuant to Article XI of the New York Private Housing Finance Law and Section 402 of the Not-For-Profit Corporation Law. PKHDFC's mission is to develop and operate the K Street Project. Providence is the sole member of PKHDFC. The board of PKHDFC consists of members that are either board members of Providence or members that are approved by the Providence board.

On April 15, 2010, Providence and Alembic Development Company, LLC (ADC) formed a joint venture to construct, develop and operate the K Street Project.

273-277 Kosciuszko, G.P., LLC (273 GP LLC) was established on November 22, 2010, as a limited liability company. 273 GP LLC consists of two members, PK LLC and ADC, with PK LLC owning the majority interest (51%). 273 GP LLC's sole purpose is to allow PKHDFC, through PK LLC, to partner with ADC in the construction, development and operation of the K Street Project. On February 21, 2014, the 273 GP LLC agreement was modified with PK LLC having a 75% interest and an unrelated non-profit partner having a 25% interest.

Providence Kosciuszko LLC (PK LLC) was incorporated on May 17, 2011, as a limited liability company for the purpose of acquiring a membership interest and a partnership interest, respectively, in 273 GP LLC and the 273 Limited Partnership. PKHDFC is the sole member of PK LLC.

Providence I Housing Development Fund Corporation (PIHDFC), a non-profit organization, was incorporated on June 2, 2008, pursuant to Article XI of the New York Private Housing Finance Law and Section 402 of the Not-For-Profit Corporation Law. PIHDFC's mission is to develop and operate the Lincoln Road Project. Providence is the sole member of PIHDFC. The board of PIHDFC consists of members that are either board members of Providence or members that are approved by the Providence board.

On January 30, 2012, Providence and ADC formed another joint venture to construct, develop and operate the Lincoln Road Project.

329 Lincoln Road, G.P., LLC (329 GP LLC) was established on January 30, 2010, as a limited liability company. 329 GP LLC consists of two members, PI LLC and ADC, with PI LLC owning the majority interest (51%). 329 GP LLC's sole purpose is to allow PIHDFC, through PI LLC, to partner with ADC in the construction, development and operation of the Lincoln Road Project.

Providence I LLC (PI LLC) was incorporated as a limited liability company for the purpose of acquiring a membership interest and a partnership interest, respectively, in 329 GP LLC and the 329 Limited Partnership. PIHDFC is the sole member of PI LLC.

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

1. NATURE OF ORGANIZATION, continued:

PH Halsey Hancock Housing Development Fund Corporation (PHHHHDFC) was established on June 29, 2016, as a non-profit corporation. PHHHHDFC was organized under the laws of the State of New York and was established to acquire, develop, finance and construct the Halsey Hancock Development Project. Currently there is no activity for this corporation. Starting in the fiscal year ended June 30, 2018, this corporation was consolidated into Providence House consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES:

The consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the financial resources and activities of Providence, PKHDFC, 273 GP LLC, PK LLC, PIHDFC, 329 GP LLC, and PI LLC. All material transactions and balances between the organizations have been eliminated in the consolidated financial statements. Providence House, Inc. and Affiliates shall be referred to as Providence throughout these notes to the consolidated financial statements.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all cash without restrictions on hand and in banks. Providence also considers all highly liquid investments without restrictions with a maturity of three months or less when purchased to be cash equivalents. At June 30, 2022 and 2021, Providence's cash balances exceeded federally insured limits by \$579,677 and \$593,448, respectively. Providence does not believe these funds to be at substantial risk of loss due to the lack of federal insurance coverage.

CONTRIBUTIONS AND GRANTS RECEIVABLE

Unconditional promises to give are recognized as income when made and recorded at fair value based upon estimated future cash flows. 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. Receivables are written-off against the allowance in the period in which they are deemed to be uncollectible. Subsequent payments received, if any, are recorded as income in the period received. For the years ended June 30, 2022 and 2021, Providence did not have any allowances for uncollectible contributions and grants.

INVESTMENTS

Investments are reported at fair value based on quoted market prices. Investment income, including realized and unrealized gains and losses are included in the consolidated statements of activities. Donated investments are reflected as contributions at fair market value at the date of receipt.

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

PARTNERSHIP INTERESTS

Providence, indirectly through related entities described in Note 14, is a general partner in three permanent supportive housing project partnerships, 273-277 Kosciusko, L.P., 329 Lincoln Road, L.P, and Halsey and Hancock. The limited partners have substantive participating rights; therefore, Providence does not consolidate these partnerships into its consolidated financial statements but accounts for the partnerships using the equity method. Due to immateriality, no amount has been included in these consolidated financial statements. These housing projects are referred to throughout the consolidated financial statements as the K Street Project, Lincoln Road Project, and Halsey and Hancock Project; see Notes 6, 7, 14, 15 and 17 for further information.

PREPAID EXPENSES

Prepaid expenses are reported when incurred in accordance with the accrual basis of accounting.

NOTES RECEIVABLE AND INTEREST RECEIVABLE FROM AFFILIATES

Notes receivable are reported at the principal balance outstanding. Interest accrued on the notes receivable is recorded when earned. There were no notes on a non-accrual status in 2022 and 2021.

RESERVE ACCOUNTS

Providence has entered into various agreements requiring the establishment of restricted reserves accounts, including replacement, operating and social services reserves for each housing development. The reserves, when received, must be maintained in separate bank accounts and are expected to be funded from developer fees received.

PROGRAM REVENUE RECEIVABLE

The carrying value of program revenue receivable has been reduced by an appropriate allowance for uncollectibility when necessary. Receivables are written-off against the allowance in the period in which they are deemed to be uncollectible. Subsequent payments received, if any, are recorded as income in the period received. For both years ended June 30, 2022 and 2021, Providence had an allowance of approximately \$128,000 for uncollectible program revenue.

PROPERTY, EQUIPMENT AND DEPRECIATION-NET

Property and equipment-net, are stated at cost, or, if donated, at the estimated fair market value at the date of donation. Depreciation is recorded using the straight-line method at various rates calculated to allocate the cost of the respective items over their estimated useful lives.

Estimated useful lives are:

Buildings and improvements	15 - 40 years
Leasehold improvements	Remaining life of the lease
Furniture, fixtures and equipment	5 - 10 years

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

NET ASSETS

The consolidated financial statements report amounts separately by classes of net assets:

- *Net assets without donor restrictions* are those which include all resources which are not subject to donor-imposed restrictions of a more specific nature than those which only obligate the organization to utilize funds in furtherance of its mission.
- *Net assets with donor restrictions* are those contributed with donor stipulations for specific purposes or those with time restrictions. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

CONTRIBUTIONS

Contributions are recognized when a commitment is made, which may be when cash is received, an unconditional promise to give is made or when ownership of donated assets is transferred. Contributions are considered available for use without donor restrictions unless specifically restricted by the donor.

Contributions of property, buildings and equipment without donor stipulation concerning the use of such long-lived assets are reported as revenues of net assets without donor restrictions. Contributions of cash or other assets to be used to acquire property, plant and equipment are reported as revenue of net assets with donor restrictions, time and purpose; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

GRANTS

Grants are recorded as revenues to the extent that expenses have been incurred for the purposes specified by the grantors.

Providence receives substantial support from the New York City Department of Homeless Services and the New York City Human Resources Administration. Providence is obligated under the terms of the contracts to comply with specified conditions and program requirements set forth by the grantor.

DEVELOPER FEES

Developer fees are earned for developer services provided in connection with the K Street Project, Lincoln Road Project, and the Halsey Hancock Project, and are earned on a percentage of completion basis, as outlined in Note 6.

DONATED SERVICES

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals with those skills, and would otherwise be purchased by Providence. These services are valued based on the estimated cost of services that would otherwise have had to be purchased.

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

EXPENSES

Expenses are recorded when incurred in accordance with the accrual basis of accounting. Directly identifiable expenses are charged to program services, management and general, and fund-raising. Expenses related to more than one function are charged to program services, management and general, and fund-raising on the basis of periodic time and expense studies. The categories of expenses that are allocated include salaries, payroll taxes and benefits, depreciation, building and grounds maintenance, utilities, supplies, technology, interest expense and miscellaneous expenses. Providence incurred no joint costs for the years ended June 30, 2022 and 2021.

3. LIQUIDITY AND AVAILABILITY OF RESOURCES:

The following reflects Providence's financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the consolidated statements of financial position date.

	June 30,	
	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 772,964	\$ 826,800
Contributions and grants receivable	196,189	340,900
Program revenue receivable	4,473,037	3,405,183
Investments	2,201,849	2,289,279
Reserve accounts	850,000	850,000
Interest receivable from affiliates	1,125,519	973,747
Notes receivable from affiliates	880,888	880,888
Financial assets, at year end	<u>10,500,446</u>	<u>9,566,797</u>
Less those not available for general expenditure within one year:		
Reserve accounts	(850,000)	(850,000)
Interest receivable from affiliates	(1,125,519)	(973,747)
Notes receivable from affiliates	(880,888)	(880,888)
Donor restricted by purpose or time	(852,137)	(805,437)
	<u>(3,708,544)</u>	<u>(3,510,072)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 6,791,902</u>	<u>\$ 6,056,725</u>

Providence is substantially supported by grants, donations, and investment income, for which a substantial portion does not carry restrictions. As part of Providence's liquidity management, Providence has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Providence also has a secured \$1,000,000 line of credit, which it could draw upon in the event of an anticipated liquidity need. Funds that were available under this agreement during the years ended June 30, 2022 and 2021, were \$450,000 and \$1,000,000, respectively.

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

4. PROGRAM REVENUE RECEIVABLE:

Program revenue receivable consists of the following agency grants receivable:

	June 30,	
	2022	2021
Women's Justice	\$ 1,753,574	\$ 1,150,857
Department of Health and Mental Hygiene	651,591	609,141
PH IV – Westchester Department of Social Services	111,729	169,290
Department of Homeless Services	2,084,111	1,603,863
	<u>4,601,005</u>	<u>3,533,151</u>
Less allowance for doubtful accounts	<u>(127,968)</u>	<u>(127,968)</u>
	<u>\$ 4,473,037</u>	<u>\$ 3,405,183</u>

5. INVESTMENTS:

Investments consist of the following:

	June 30,	
	2022	2021
Equities	\$ 1,431,847	\$ 1,908,838
Fixed income	364,184	380,441
Mutual funds	405,818	-
	<u>\$ 2,201,849</u>	<u>\$ 2,289,279</u>

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

6. DEVELOPER FEES RECEIVABLE AND RESERVE ACCOUNTS:

Providence, together with a third-party development company, Alembic Development Company, LLC (ADC), provides developer services in connection with the K Street and Lincoln Road projects. Pursuant to development agreements signed in connection with both of the aforementioned housing projects, Providence is entitled to earn developer fees from 273-277 Kosciusko, L.P. and 329 Lincoln Road, L.P., respectively, when various project milestones and conditions are met as follows:

Completion of plans and specifications	10%
Obtaining all building permits	20%
Achieving 25% completion	20%
Achieving 50% completion	10%
Achieving 75% completion	20%
Achieving 100% completion and issuance of final certificate of occupancy	20%
	<hr/>
	100%
	<hr/> <hr/>

The K Street Project development services agreement entitles Providence to earn \$1,421,415 of a \$1,651,415 total development fee over the life of the K Street Project. On the first \$460,000 of the total developer fee received, Providence and ADC will be paid in a 50/50 split. At June 30, 2022 and 2021, 100% of the total developer fees were earned based upon completion status of the K Street Project. At June 30, 2022 and 2021, 100% of the fees were paid. A portion of development fees owed to Providence are intended to fund certain required reserve accounts.

The Lincoln Road Project development services agreement entitles Providence to earn \$941,353 of a \$1,018,353 total development fee over the life of the Lincoln Road Project. On the first \$220,000 of the total developer fee received, Providence and ADC were paid in a 65/35 split, respectively, all of which was received as of June 30, 2016, but was initially recorded incorrectly and later corrected during the year ended June 30, 2017. Therefore, no balance is due for the years ended June 30, 2022 and 2021. At June 30, 2019, 100% of the total developer fees were earned based upon completion status of the Lincoln Road Project. Development fees owed to Providence are intended to fund certain required reserve accounts.

Actual payments of outstanding developer fees, for both projects, are expected to be received over several years as funds become available from capital contributions, loan proceeds or net cash flow of the projects. As of June 30, 2019, developer fees have been earned in full, however, deferred developer fees will continue to be paid out over the life of the project.

Providence had a reserve account established from K Street Project in the amount of \$575,000 of earned developer fees placed in operating and social reserve accounts held by K Street Project, for both years ended June 30, 2022 and 2021.

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

6. DEVELOPER FEES RECEIVABLE AND RESERVE ACCOUNTS, continued:

Providence had a reserve account established from Lincoln Road Project in the amount of \$275,000 of earned developer fees placed in operating and social reserve accounts held by Lincoln Road Project, for both years ended June 30, 2022 and 2021.

Providence, together with a third-party development company, IMPACCT Brooklyn, provides developer services in connection with the Halsey Hancock Project. Pursuant to development agreements signed in connection with the aforementioned housing project, Providence is entitled to earn developer fees from the Halsey Hancock LP when various project milestones and conditions are met as follows:

Admission date	20%
Third installment date of capital contribution	17%
Fourth installment date of capital contribution	38%
Fifth installment date of capital contribution	8%
Deferred development fee based on cash flow	17%
	100%

As of June 30, 2022 and 2021, \$141,828 and \$-0-, respectively, of developer fees have been earned or reserve accounts established with the Halsey Hancock Project.

7. NOTES RECEIVABLE FROM AFFILIATES:

Providence is the holder of multiple notes receivable from affiliated organizations. Payments on all notes are expected to be received as funds become available from net cash flow earned from operation of the respective housing projects. Any and all payments received require deposit into reserve accounts held for the benefit of each project. Receipt of principal payments on all notes receivable is expected to begin in 2024 and thereafter. Notes receivable consist of the following:

	June 30,	
	2022	2021
<p>A \$616,415 secured note receivable, from 273-277 Kosciusko, L.P., with interest at a fixed rate of 7.5% per annum, compounded annually. This note receivable represents deferred development fees in connection with the construction of the K Street Project. The note receivable is secured by a subordinate mortgage on the K Street Project property and has a maturity date of January 30, 2026. Interest earned on the note was \$68,767 and \$63,968 during the years ended June 30, 2022 and 2021, respectively, and is included in interest receivable from affiliates.</p>	\$ 312,535	\$ 312,535

(continued)

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

7. NOTES RECEIVABLE FROM AFFILIATES, continued:

	June 30,	
	2022	2021
<p>A \$523,353 secured note receivable, from 329 Lincoln Road, L.P., with interest at a fixed rate of 8.92% per annum, compounded annually. This note receivable represents deferred development fees due in connection with the construction of the Lincoln Road Project. The note receivable is secured by a subordinate mortgage on the Lincoln Road Project property and has a maturity date not to exceed the 13th anniversary of the date the Lincoln Road Project is placed in service. Interest earned on the note was \$73,085 and \$67,100 during the years ended June 30, 2022 and 2021, respectively, and is included in interest receivable from affiliates.</p>	523,353	523,353
<p>A \$45,000 secured note receivable, with interest at a fixed rate of 8.92% per annum, compounded annually. This note receivable represents permanent mortgage financing for the Lincoln Road Project paid from New York State Energy Research and Development Authority grant proceeds given to Providence in connection with the construction of the Lincoln Road Project. The note receivable is secured by a subordinate mortgage on the Lincoln Road Project property. Interest earned on the note was \$4,014 during both years ended June 30, 2022 and 2021, and is included in interest receivable from affiliates. The principal and all accrued, unpaid interest is due and payable in full on June 29, 2074.</p>	45,000	45,000
	\$ 880,888	\$ 880,888

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

8. PROPERTY AND EQUIPMENT:

Property and equipment consists of the following:

	June 30,	
	2022	2021
Land	\$ 319,460	\$ 319,460
Buildings and improvements	3,645,348	3,521,388
Leasehold improvements	356,427	338,178
Furniture, fixtures and equipment	380,329	370,146
	<u>4,701,564</u>	<u>4,549,172</u>
Less accumulated depreciation	<u>(2,611,039)</u>	<u>(2,359,611)</u>
	<u>\$ 2,090,525</u>	<u>\$ 2,189,561</u>

9. LINE OF CREDIT:

Providence has available a \$1,000,000 line of credit with a bank, expiring on August 3, 2022. Interest is payable monthly with a variable interest rate of 3 percentage points over the London Interbank Offered Rate, "LIBOR Rate". The rate's effective interest for the years ended June 30, 2022 and 2021, were 6.19% and 0.81%, respectively. The line-of-credit is secured by Providence's real property. As of June 30, 2022 and 2021, there were \$550,000 and \$-0-, respectively, in outstanding borrowings on this line-of-credit.

Line-of-credit interest expense charged to operations for both years ended June 30, 2022 and 2021, was \$-0-.

10. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are available for the following purposes:

	June 30,	
	2022	2021
Operations	\$ 743,887	\$ 715,887
NYS Homeless Housing	75,000	56,300
Annual scholarships	33,250	33,250
	<u>\$ 852,137</u>	<u>\$ 805,437</u>

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

11. CONTRIBUTED SERVICES:

During the years ended June 30, 2022 and 2021, Providence received donated legal services valued at \$-0- and \$86,115, respectively. These services were recorded as a contribution and expensed to professional fees in the accompanying consolidated statements of functional expenses.

12. RETIREMENT PLAN:

Providence is a participant in the noncontributory lay pension plan established by the Diocese of Brooklyn, New York, covering employees who meet certain minimum service requirements. Pension expense charged to Providence was approximately \$85,000 and \$165,000, respectively, for the years ended June 30, 2022 and 2021. This plan was suspended as of December 31, 2021.

Effective January 2022, Providence sponsors a Section 403(b) salary reduction plan that covers all full-time employees who have met certain service requirements. Each participant may contribute amounts in accordance with the applicable limits established by the Federal government. Additionally, Providence contributes 1% - 2% of each covered employee's compensation depending on age, which are fully vested after three years of employment. Providence's contributions were approximately \$20,000 for the year ended June 30, 2022.

13. OPERATING LEASES:

Providence rents properties from several churches in the Diocese of Brooklyn and Queens as follows:

<u>Location</u>	<u>Lease Period</u>	<u>Monthly Rent</u>
PH V	Through August 31, 2025	\$ 5,500
Glenmore	Through September 31, 2025	\$ 135,700

The future estimated minimum lease payments for each of the succeeding fiscal years are as follows:

<u>Year Ended June 30,</u>	
2023	\$ 1,694,400
2024	1,731,039
2025	1,743,252
2026	430,313
	<u>\$ 5,599,004</u>

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

14. RELATED PARTIES:

In order to further its commitment to provide shelter and support to homeless, abused and formerly incarcerated women and their children in a hospitable, non-violent, compassionate atmosphere, Providence desired to develop two new permanent supportive housing buildings. These housing projects would be used to address the scarcity of permanent supportive housing for low-income and special needs individuals and families. In order to have these projects become a reality, Providence had to partner with the city, investors and developers.

K STREET PROJECT

The first permanent supportive housing project partnership that Providence entered into was to develop a 46-unit low-income residential rental apartment project at 273-277 Kosciuszko Street in Brooklyn, New York. The units are to be used and occupied in such a manner so as to fully utilize low-income housing tax credits in accordance with Section 42 of the Internal Revenue Code.

273-277 Kosciuszko, L.P. (273 Limited Partnership) was established on November 22, 2010, as a limited liability partnership, with 273 GP LLC as general partner and PKHDFC as limited partner. 273 Limited Partnership was organized under the laws of the State of New York and was established to acquire, develop, finance and construct the K Street Project.

On June 13, 2011, the 273 Limited Partnership agreement was amended and restated to reflect, among other changes, the admittance of PK LLC as general partner, removal of PKHDFC as limited partner, admittance of U.S.A. Institutional Tax Credit Fund LXXXIII, L.P. as the investing partner, and admittance of The Richman Group Capital Corporation as the special limited partner. The terms of the First Amended and Restated Partnership Agreement provide that profits and losses be shared 99.99% by the investing partner and .01% by the general partners (273 GP LLC and PK LLC), with no allocation to the special limited partner. Providence is the holder of a note receivable from 273 Limited Partnership as outlined in Note 7.

In June 2011, PKHDFC and other related affiliated entities entered into multiple borrowing arrangements with different lenders for the purpose of obtaining financing for the construction and completion of the K Street Project. See Note 17 for loans that are guaranteed by Providence.

In June 2011, title to the K Street Project site was conveyed to PKHDFC by the City of New York for consideration of \$3 and PKHDFC's commitment to construct and provide housing for at least thirty years exclusively to persons of low income. Pursuant to the regulatory agreement with The New York City Department of Housing Preservation and Development (NYCHPD), the K Street Project is to be occupied by persons or families of low income, as such term is defined in the regulatory agreement. Simultaneously, the beneficial and equitable interest in the property was conveyed to 273 Limited Partnership. Construction began in June 2011 and was completed in March 2013.

As outlined in Notes 2 and 6, Providence received fees for the developer services it provides to the K Street Project. Development fees of \$660,566 were earned during the year ended June 30, 2013. Development fees were fully earned as of June 30, 2013. In addition, Providence had a receivable from K Street Project of \$575,000 earned developer fees placed in operating and social reserve accounts held by K Street Project, as of June 30, 2022 and 2021.

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

14. RELATED PARTIES, continued:

LINCOLN ROAD PROJECT

The second permanent supportive housing project partnership that Providence entered into was to develop a 22-unit low-income residential rental apartment project at 329 Lincoln Road in Brooklyn, New York. The units are to be used and occupied in such a manner so as to fully utilize low-income housing tax credits in accordance with Section 42 of the Internal Revenue Code.

329 Lincoln Road Associates, L.P. (329 Limited Partnership) was established on January 30, 2010, as a limited liability partnership, with 329 GP LLC as general partner and PIHDFC as limited partner. 329 Limited Partnership was organized under the laws of the State of New York and was established to acquire the property and financing for the Lincoln Road Project.

On June 1, 2012, the 329 Limited Partnership agreement was amended and restated to reflect, among other changes, removal of PIHDFC as limited partner, the admittance of the U.S.A. Institutional Tax Credit Fund LXXXVI, L.P. as the investing partner, and the admittance of The Richman Group Capital Corporation as the special limited partner. The terms of the First Amended and Restated Partnership Agreement provide that profits and losses be shared 99.99% by the investing partner and .01% by the general partner (329 GP LLC), with no allocation to the special limited partner. Providence is the holder of three notes receivable from 329 Limited Partnership as outlined in Note 7 above.

In June 2012, PIHDFC and other related affiliated entities entered into multiple borrowing arrangements with different lenders for the purpose of obtaining financing for the construction and completion of the Lincoln Road Project. See Note 17 for other loans that are guaranteed by Providence.

On June 29, 2012, title to the Lincoln Project site was conveyed to PIHDFC by the City of New York for consideration of \$1 and PIHDFC's commitment to construct and provide housing for at least thirty years exclusively to persons of low income. Pursuant to the regulatory agreement with NYCHPD, the Lincoln Project is to be occupied by persons or families of low income, as such term is defined in the regulatory agreement. Simultaneously, the beneficial and equitable interest in the property was conveyed to 329 Limited Partnership. Construction began in July 2012 and was completed in the fiscal year June 30, 2015.

As outlined in Notes 2 and 6, Providence has received fees for the developer services it provides to the Lincoln Road Project. \$798,353 of these fees are secured by notes receivable as detailed in Note 6 and were initially included in deferred developer fees. The full amount of these fees were earned during the year ended June 30, 2015. Providence had a receivable from Lincoln Road Project of \$275,000 earned developer fees placed in operating and social reserve accounts held by Lincoln Road Project, as of June 30, 2022 and 2021.

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

14. RELATED PARTIES, continued:

RELATED PARTY CONTRIBUTIONS

During the years ended June 30, 2022 and 2021, members of the board of directors made contributions to Providence totaling approximately \$239,000 and \$176,000, respectively. These contributions represent 14% and 9% of total donations and grants for the years ended June 30, 2022 and 2021, respectively.

15. OPERATING AND REPLACEMENT RESERVES:

In connection with the K Street and Lincoln Road Projects, Providence has entered into various agreements requiring the establishment of restricted reserves accounts, including replacement, operating and social services reserves for each housing development. The reserves, when received, must be maintained in separate bank accounts and are expected to be funded from developer fees received as follows:

	June 30,	
	2022	2021
For the K Street Project, all development fees earned by Providence as outlined in Note 6, except for the initial \$230,000, shall require deposit into reserve accounts. Installment payments totaling \$115,000 are expected to be deposited annually into multiple reserve accounts beginning on or around April 2014. Additional deposits totaling \$115,000 will continue annually thereafter on or around April of each subsequent year, through and including April 2018. Thereafter, payments will be made as funds become available from net cash flow earned from operation of the K Street Project.	\$ 575,000	\$ 575,000
For the Lincoln Road Project, all development fees earned by Providence as outlined in Note 6, except for the initial \$143,000, shall require deposit into reserve accounts. Installment payments totaling \$91,667 are to be deposited into multiple reserve accounts in connection with the Lincoln Road Project beginning on or around February 2016. Additional annual deposits totaling \$91,667 will continue thereafter on or around February of each subsequent year through and including February 2018. Thereafter, payments will be made as funds become available from net cash flow earned from operation of the Lincoln Road Project.	275,000	275,000
	<u>\$ 850,000</u>	<u>\$ 850,000</u>

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

16. FAIR VALUE MEASUREMENTS:

Providence uses appropriate valuation techniques to determine fair value based on inputs available. When available, Providence measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

The following table presents the fair value measurements of assets recognized in the accompanying consolidated statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2022 and 2021:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)
June 30, 2022:		
Equities	\$ 1,431,847	\$ 1,431,847
Fixed income	364,184	364,184
Mutual funds	405,818	405,818
	\$ 2,201,849	\$ 2,201,849
June 30, 2021:		
Equities	\$ 1,908,838	\$ 1,908,838
Fixed income	380,441	380,441
	\$ 2,289,279	\$ 2,289,279

Valuation techniques: The fair value of mutual funds and money market funds is based on quoted net asset values of the shares held by Providence at year end. The fair values of the certificates of deposit are based on observable inputs other than the quoted prices included in Level 1 and thus are based on yields for securities of comparable maturity, quality and type as obtained from market makers.

PROVIDENCE HOUSE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2022 and 2021

17. CONTINGENCIES:

CONSTRUCTION FINANCING

Providence has guaranteed payment jointly and severally for construction financing for the K Street Project from NYCHPD, in the amount of \$5,675,851. The maturity date of the note and mortgage is October 27, 2053. The balance of the loan as of both June 30, 2022 and 2021, was \$5,675,851.

Providence also guaranteed payment jointly and severally for construction financing for the Lincoln Road Project from NYCHPD, in the amount of \$2,750,000. The maturity date of the note and mortgage was extended from June 29, 2014 to June 29, 2074. The balance of the loan as of both June 30, 2022 and 2021, was \$2,750,000.

LEGAL MATTERS

Providence House, Inc. and Affiliates is subject to claims, legal proceedings, and investigations of matters that arise in the ordinary course of operations. In the opinion of management, all such matters are adequately covered by insurance or by accruals and, if not so covered, are without merit and will be vigorously contested or are of such kind or involve such amounts as would not have a significant effect on the consolidated financial position or results of operations of Providence if disposed of unfavorably.

18. CONCENTRATIONS:

During the year ended June 30, 2022, Providence received 62% of donations and grants and 10% of total support and revenue from 4 donors. During the year ended June 30, 2021, Providence received 57% of donations and grants and 10% of total support and revenue from 5 donors.

19. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through February 23, 2023, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.

SUPPLEMENTARY DATA

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY DATA**

Board of Directors
Providence House, Inc. and Affiliates
Brooklyn, New York

We have audited the consolidated financial statements of Providence House, Inc. and Affiliates, as of and for the years ended June 30, 2022 and 2021, and our report thereon dated February 23, 2023, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules are 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 sites, 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 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.

Capin Crouse LLP

New York, New York
February 23, 2023

PROVIDENCE HOUSE, INC. AND AFFILIATES

Schedule of Activities by Program

Year Ended June 30, 2022

	Supportive Housing				Women's Criminal Justice Program	Transitional Shelter	Central Operations	Grand Total
	Koscuiszko Street Project	Lincoln Road Project	Halsey & Hancock Project	Total Supportive Housing				
Revenues and gains:								
Contract revenue	\$ 467,408	\$ 299,804	\$ 404,116	\$ 1,171,328	\$ 625,320	\$ 8,288,620	\$ -	\$ 10,085,268
Donations and grants	-	-	-	-	19,720	-	2,138,817	2,158,537
Developer fee income	-	-	-	-	-	-	141,828	141,828
CACFP and FEFP food grant	-	-	-	-	-	7,306	14,633	21,939
Administrative overhead revenue	51,934	33,311	44,902	130,147	69,480	647,700	-	847,327
Investment income	68,767	83,005	-	151,772	-	22,399	(521,046)	(346,875)
Total revenues without donor restrictions	588,109	416,120	449,018	1,453,247	714,520	8,966,025	1,774,232	12,908,024
Expenses and losses:								
Salaries and wages	372,599	157,793	137,423	667,815	739,173	1,872,291	983,112	4,262,391
Contract labor	51,972	97,062	321,136	470,170	-	2,133,908	-	2,604,078
Rent	-	-	-	-	66,000	1,628,400	80,035	1,774,435
Employee benefits	46,318	13,117	32,688	92,123	112,461	296,610	322,824	824,018
Equipment repairs, rental and maintenance	15,768	7,882	1,830	25,480	68,819	595,739	26,807	716,845
Utilities	-	-	176	176	58,312	426,587	31,587	516,662
Professional fees	6,168	5,520	7,236	18,924	50,807	21,781	341,997	433,509
Supplies	19,718	8,792	10,604	39,114	52,533	168,255	68,897	328,799
Payroll taxes	27,595	11,409	10,309	49,313	53,946	137,786	72,430	313,475
Depreciation	15,282	-	4,235	19,517	32,294	156,661	42,684	251,156
Insurance	-	-	-	-	14,216	145,948	40,998	201,162
Miscellaneous	651	20	80	751	3,362	8,147	168,932	181,192
Telephone and internet	6,593	6,614	15,204	28,411	16,184	29,989	16,875	91,459
Advertising	9,408	9,408	18,815	37,631	18,815	28,503	-	84,949
Client assistance and scholarships	8,937	4,056	5,585	18,578	13,410	9,948	4,515	46,451
Events	-	-	-	-	198	-	36,606	36,804
Permits, licensing, and fees	1,284	630	1,819	3,733	4,266	9,053	5,079	22,131
Seminars and training (registration fees)	761	132	1,966	2,859	6,829	9,912	695	20,295
Travel	724	503	1,026	2,253	3,986	10,003	1,858	18,100
Printing	2,106	368	919	3,393	1,363	2,340	10,203	17,299
Dues and subscriptions	262	226	296	784	420	277	14,075	15,556
Postage and delivery	37	214	257	508	20	136	3,726	4,390
Total expenses	586,183	323,746	571,604	1,481,533	1,317,414	7,692,274	2,273,935	12,765,156
Net change	\$ 1,926	\$ 92,374	\$ (122,586)	\$ (28,286)	\$ (602,894)	\$ 1,273,751	\$ (499,703)	\$ 142,868

PROVIDENCE HOUSE, INC. AND AFFILIATES

Providence House IV Compared to Approved County Funding

Year Ended June 30, 2022

	Approved Budget 2021-2022	Actual 2021-2022
Revenues: *		
CACFP and FEFP food grant	\$ -	\$ 7,306
Westchester DSS payments	733,589	689,014
Total revenues	733,589	696,320
Expenses:		
Salary expense	465,736	325,392
Payroll taxes and employee benefits	118,296	80,338
Utilities	22,888	35,599
Telephone	1,040	4,875
Food expense	6,242	11,411
Client assistance and scholarships	-	3,718
Other program expenses	6,242	51,331
Professional fees	7,283	6,117
Dues and subscriptions	-	96
Insurance	11,444	16,757
Repairs and maintenance	22,057	28,521
Office expenses	13,005	-
Supplies	14,565	70,196
Occupancy	31,212	-
Depreciation	-	17,064
Postage and delivery	-	87
Miscellaneous	13,579	24,248
Total expenses	733,589	675,976
Net change	\$ -	\$ 20,344

* Revenues include only CACFP, FEFP & DSS of Westchester funds.