Consolidated Financial Statements

June 30, 2019

Primrose Center, Inc. and Affiliate

McDIRMIT DAVIS
Certified Public Accountants and Advisors

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Primrose Center, Inc. and Affiliate

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of Primrose Center, Inc. (A Not-for-Profit Corporation) and affiliate which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 Primrose Center, Inc. and its affiliate as of June 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

MCDIRMIT DAVIS & COMPANY, LLC
934 N. MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
T: 407-843-5406 | F: 407-649-9339 | WWW.MCDIRMITDAVIS.COM

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental consolidating information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The 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.

McDirmit Davis & Company, LLC

Orlando, Florida
October 9, 2019

Assets:		
Cash and cash equivalents	$	729,767
Investments		890,606
Accounts receivable, net of allowance for doubtful accounts of $9,547		482,894
Prepaid expenses		56,950
Property and equipment, net of accumulated depreciation		1,657,734
Total assets	$	3,817,951
Liabilities:		
Accounts payable	$	73,620
Accrued expenses		278,043
Deferred revenue		110,743
Long-term debt		437,393
Total liabilities		899,799
Net Assets:		
Net assets without donor restrictions:		
Designated for investment in property and equipment		1,217,323
Designated for group homes endowment		328,629
Undesignated		1,372,200
Total net assets without donor restrictions		2,918,152
Total liabilities and net assets	$	3,817,951

Changes in Net Assets without donor restrictions:	
Operating revenues and support:	
Fees and grants from governmental agencies	$ 3,538,313
Contributions	42,214
Program service fees	499,063
Investment income	43,314
Gain on disposal of fixed assets	36,566
Miscellaneous	12,574
Total revenue and support	4,172,044
Operating expenses:	
Program services:	
Center	1,667,620
Supported employment	176,943
Supported living	6,161
Group homes	1,574,019
Total program services	3,424,743
Support services:	
Management and general	526,962
Development	27,795
Total operating expenses	3,979,500
Increase in net assets without donor restrictions	192,544
Total Change in Net Assets	192,544
Net assets, beginning of year	2,725,608
Net assets, end of year	$ 2,918,152

Consolidated Statement of Functional Expenses

Year Ended June 30, 2019

	Program Services		
	Center	Supported Employment	Supported Living
Salaries:			
Administrative and other	$ 456,617	$ -	$ -
Professional	525,824	98,432	5,367
Total salaries	982,441	98,432	5,367
Benefits:			
Payroll taxes, insurance and retirement plan contributions	175,636	18,109	794
Total salaries and benefits	1,158,077	116,541	6,161
Other Operating Expenses:			
Professional fees	16,060	-	-
Supplies	36,169	94	-
Telephone	2,194	-	-
Equipment rental and maintenance	28,214	-	-
Occupancy	62,583	-	-
Depreciation and amortization	74,598	-	-
Transportation	179,195	-	-
Staff training and travel	4,430	4,467	-
Dues and subscriptions	45	-	-
Insurance	62,248	-	-
Fees and interest	12,080	878	-
Provision for doubtful accounts	(6,621)	362	-
Food	16,356	-	-
Workshop and enclave labor	-	54,601	-
Miscellaneous	21,992	-	-
Total other operating expenses	509,543	60,402	-
Total	$ 1,667,620	$ 176,943	$ 6,161

Program Services		Support Services		
Group Homes	Total	Management and General	Development	Total Expenses
$ 232,987	$ 689,604	$ 106,067	$ -	$ 795,671
844,674	1,474,297	-	-	1,474,297
1,077,661	2,163,901	106,067	-	2,269,968
125,807	320,346	86,231	-	406,577
1,203,468	2,484,247	192,298	-	2,676,545
10,815	26,875	252,678	27,795	307,348
19,739	56,002	24,719	-	80,721
2,530	4,724	12,124	-	16,848
46,140	74,354	12,317	-	86,671
79,513	142,096	2,728	-	144,824
39,288	113,886	1,208	-	115,094
3,295	182,490	958	-	183,448
1,103	10,000	1,240	-	11,240
-	45	938	-	983
37,846	100,094	6,435	-	106,529
11,355	24,313	19,296	-	43,609
7,326	1,067	-	-	1,067
111,601	127,957	23	-	127,980
-	54,601	-	-	54,601
-	21,992	-	-	21,992
370,551	940,496	334,664	27,795	1,302,955
$ 1,574,019	$ 3,424,743	$ 526,962	$ 27,795	$ 3,979,500

Cash Flows from Operating Activities:		
Cash received from revenues and other support	$	4,034,831
Cash paid for expenses		(3,768,350)
Investment income received		33,347
Interest paid		(7,443)
Net cash provided by operating activities		292,385
Cash Flows from Investing Activities:		
Purchases of investments		(176,973)
Sale of investments		156,604
Sale of property and equipment		37,074
Purchases of property and equipment		(531,619)
Net cash used for investing activities		(514,914)
Cash Flows from Financing Activities:		
Payments on long-term debt		(20,227)
Proceeds from long-term debt		300,000
Net cash provided by financing activities		279,773
Net increase in cash and cash equivalents		57,244
Cash and cash equivalents, beginning of year		672,523
Cash and cash equivalents, end of year	$	729,767
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities:		
Change in net assets	$	192,544
Adjustments to reconcile changes in net assets to net cash used for operating activities:		
Depreciation and amortization		115,095
Unrealized gain on investments		(9,967)
Gain on sale of asset		(36,566)
(Increase) decrease in:		
Receivables from governmental agencies		(131,315)
Prepaid expenses		944
Increase (decrease) in:		
Accounts payable		13,814
Accrued expenses		73,854
Deferred revenue		73,982
Net cash provided by operating activities	$	292,385

Note 1 Summary of Significant Accounting Policies

The financial statements of Primrose Center, Inc. and affiliate (the Center) have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The significant policies followed are described below:

Organization
Primrose Center, Inc. is a not-for-profit corporation established for developmentally disabled adults who can benefit from prevocational training programs. The Center is supported primarily through fees and grants from government agencies, and program service fees. The adult day training centers, group homes and administrative offices are located in Orlando, Florida.

Consolidation
The accompanying consolidated financial statements include the accounts of the Center and Primrose Properties, Inc. (Properties), an affiliated organization, collectively the Company. Consolidation is required since the organizations are financially interrelated through economic interest and control. Intercompany transactions and balances have been eliminated in consolidation. Consolidating schedules are included as additional information.

Financial Statement Presentation
Under FASB ASC 958-205, net assets and revenue, expenses, gains and losses are classified as with or without donor restrictions based on the existence or absence, respectively, of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

> Net assets without donor restrictions - Net assets available for the support of the Organization’s operations. The net assets without donor restrictions may be used at the discretion of the Organization’s management and Board of Directors.
>
> Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organizations or the passage of time. Net assets subject to donor-imposed stipulations may also be maintained permanently by the Organization. In those situations, donors permit the Organization to use all or part of the earnings on related investments for the general or specific purposes.

Revenue is recognized as an increase in net assets without donor restrictions unless use of the related assets are limited by donor-imposed or contractual restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by contract. Expirations of the donor imposed or contractual restrictions on net assets are reported as reclassifications to net assets without donor restrictions in the period in which the restriction expires. A restriction expires when the stipulated time period has elapsed, and/or the stipulated purpose has been fulfilled. Contributions received with donor-imposed restrictions that are met in the same reporting period in which the contributions are received are classified as contributions without donor restrictions.

Cash and cash equivalents
The Company includes in cash and equivalents, demand deposits and money market funds with banks and other financial institutions. This would include accounts that have the general characteristics of demand deposits where the Company can effectively withdraw funds at any time without prior notice or penalty.

Note 1 Summary of Significant Accounting Policies (Continued)

Investments
Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in changes in net assets without donor restrictions because the gains and losses are unrestricted.

Accounts Receivable
Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides an allowance for doubtful accounts based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for doubtful accounts at June 30, 2019 was $9,547.

Financing Costs
Loan origination fees and other costs associated with acquisition of group homes and other property are amortized over the life of the loan (ranging from 5 to 15 years) using the straight-line method. Amortization expense charged to operations during the year ended June 30, 2019 was $1,208.

Property and Equipment
Property and equipment purchases in excess of $500 are capitalized at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the related assets.

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

Functional Allocation of Expenses
The costs of providing developmentally disabled adults who can benefit from prevocational training programs and the administration of the Center have been summarized on a functional basis in the Statement of Consolidated Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Tax Status
The Center is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Properties is a corporation that is exempt from income taxes under Section 501(c)(2) of the Internal Revenue Code. Both entities are subject to federal and state income taxes on unrelated business taxable income generated by certain fund-raising activities and non-program related revenue.

The Company has adopted the application of the uncertain tax position provisions of FASB ASC 740, *Income Taxes*. It prescribes an evaluation process for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on de-recognition, classification, interest and penalties, disclosure and transitions. The provisions had no impact on the accompanying consolidated financial statements. As of June 30, 2019, the Company has accrued no interest and penalties related to uncertain tax positions. It is the Company's policy to recognize interest and penalties related to income tax matters as expense. In general, the Company is no longer subject to U.S. federal income tax examinations by tax authorities for U.S. federal or state income tax returns before fiscal year ended June 30, 2016.

Note 1 Summary of Significant Accounting Policies (Continued)

Change in Accounting Principle

In 2019, the Company adopted Financial Accounting Standards Board Update 2016-04: "Not-for-Profit Entities (Topic 958): Presentation of Financial Statements." This update primarily affects presentation of net assets subject to donor restrictions and simplifies statement of cash flows presentation. This update is effective for years beginning after December 15, 2017, with retrospective application to all periods presented. Beginning net asset balances were not changed as a result of adopting this standard.

Evaluation of Subsequent Events

The Company has evaluated subsequent events through the date of the independent auditor's report, the date which the accompanying financial statements were available to be issued.

Note 2 Investments

Investments are stated at fair value and consist of the following types of investments:

Investments:		
Marketable equity securities:		
Mid-cap growth	$	10,694
Mid-cap value		8,646
Large growth		32,412
Large value		25,444
Real estate		11,293
Preferred stock		16,882
Energy limited partnership		9,683
Exchange traded fund		80,225
Mutual funds:		
Long/short equity		11,829
Large blend		26,507
Fixed income:		
Bank loan		47,156
Multisector bond		15,914
Nontraditional bond		66,240
Short-term bond		175,973
Intermediate-term bond		148,335
Exchange traded fund		134,689
Short-term government		31,453
High Yield Bond		10,621
Foreign Large Growth		8,023
Ultrashort bond		18,587
Total Investments	$	890,606

Note 3 Fair Value Measurements

Fair values of assets measured on a recurring basis at June 30, 2019 are as follows:

	Fair Value	Fair Value Using: Quoted Prices in Active Markets for Identical Assets (Level 1)
Investments:		
Marketable equity securities:		
Mid-cap growth	$ 10,694	$ 10,694
Mid-cap value	8,646	8,646
Large growth	32,412	32,412
Large value	25,444	25,444
Real estate	11,293	11,293
Preferred stock	16,882	16,882
Energy limited partnership	9,683	9,683
Exchange traded fund	80,225	80,225
Mutual funds:		
Long/short equity	11,829	11,829
Large blend	26,507	26,507
Fixed income:		
Bank loan	47,156	47,156
Multisector bond	15,914	15,914
Nontraditional bond	66,240	66,240
Short-term bond	175,973	175,973
Intermediate-term bond	148,335	148,335
Exchange traded fund	134,689	134,689
Short-term government	31,453	31,453
High Yield Bond	10,621	10,621
Foreign Large Growth	8,023	8,023
Ultrashort bond	18,587	18,587
Total Assets at Fair Value	$ 890,606	$ 890,606

Note 3 Fair Value Measurements (Continued)

FASB ASC 820, *Fair Value Measurements*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of unadjusted quoted prices in active markets for similar assets, and Level 3 inputs have the lowest priority. The Company uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Company measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 or 3 inputs were applicable to the Company for the year end June 30, 2019.

Level 1 Fair Value Measurements
The fair values of shares of mutual funds, equity securities, fixed income funds and mortgage-backed securities are based on quoted market prices.

Note 4 Property and Equipment

A summary of property and equipment at June 30, 2019 is as follows:

	Center	Properties	Total
Land	$ -	$ 238,382	$ 238,382
Land improvements	-	217,834	217,834
Buildings and improvements	-	2,253,346	2,253,346
Furniture and equipment	305,693	-	305,693
Vehicles	130,104	-	130,104
	435,797	2,709,562	3,145,359
Less: accumulated depreciation	(332,912)	(1,154,713)	(1,487,625)
Property and equipment, net	$ 102,885	$ 1,554,849	$ 1,657,734

Depreciation expense for the year ended June 30, 2019 amounted to $113,886.

Note 5 Long-Term Debt

A summary of long-term debt at June 30, 2019 is as follows:

Primrose Center, Inc.:		
$120,000 Line of credit due to a bank, due on demand including revolving interest at prime +1.5% (7% at June 30, 2019); secured by real property. ($120,000 balance available at June 30, 2019)	$	-
Primrose Properties, Inc.:		
Note payable to a bank, in monthly installments of $1,073 including principal and interest at 4.75% through December 29, 2021 when final balloon payment is due. Secured by real property.		140,411
Promissory note to City of Orlando under the terms and conditions of SHIP agreement. Due on June 30, 2034. If the Center is in full compliance with the terms of the SHIP Program Agreement, the Debt evidencing this note shall be marked cancelled by the City. During the deferment, this note will not accrue interest.		300,000
	$	440,411

Estimated principal maturities on long-term debt are as follows:

Year Ending June 30,		
2020	$	6,370
2021		6,680
2022		127,361
2023		-
2024		-
There after		300,000
	$	440,411

Note 6 Lease Obligations

Operating Leases - The Center leases office equipment and vehicles under non-cancelable operating leases. Future minimum lease payments as of June 30, 2019 are as follows:

Year Ending June 30,		
2020	$	14,736
2021		14,736
2022		12,088
2023		2,691
	$	44,251

For the year ended June 30, 2019, the amount of lease expense reported in transportation expense was $62,334.

Note 7 Profit Sharing Plan

The Center has a profit sharing plan for the benefit of substantially all employees. This is a defined contribution pension plan whereby the Center contributes a specified percentage of eligible employees' compensation to the plan, the percentage being set annually by the Board of Directors. The Center did not make any contributions to this plan for the year ended June 30, 2019.

Note 8 Grants from Governmental Agencies

The Center received approximately 80% of its support in 2019 from federal and state of Florida governments under the Florida Medicaid Waiver Program administered by the State of Florida, Department of Children and Families. Under this program, the participant signs a contract with the state for a specified amount of money per day per client. A significant reduction in the level of this government support, if this were to occur, could have an effect on the Center's programs and activities.

The Center also receives support from the federal and state of Florida governments under the Vocational Rehabilitation, Supported Employment Program administered by the State of Florida, Department of Labor and Employment Security.

Note 9 Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of temporary cash investments and receivables from governmental agencies. Credit risk with respect to concentrations of accounts receivable are limited due to the fact that the entire balance is due from governmental agencies. The Company has cash deposits in excess of federally insured limits amounting to approximately $232,900.

Note 10 Contingencies

Grant Compliance
The Center receives a significant amount of revenue under several federal and state grant programs as described in Note 8. These programs are subject to compliance audits as required by the federal government and the state of Florida. The amount, if any, of expenditures, which may be disallowed, is not determinable at this time.

Litigation
During the year, the Center was notified that it is a defendant in a lawsuit. Management, based on consultation with its legal counsel, believes that the ultimate settlement of the claims for this loss will not exceed its insurance coverage.

Note 11 Donated Services and Materials

During the year ended June 30, 2019, the Center received donated materials and has estimated the approximate fair value to be $21,992 which is included in contributions and expense in the accompanying statement of activities.

ADDITIONAL INFORMATION

Primrose Center Inc. and Affiliate
Consolidating Schedule of Financial Position
June 30, 2019

	Center	Properties	Eliminations	Total
Assets:				
Cash and cash equivalents	$ 394,369	$ 335,398	$ -	$ 729,767
Investments	385,527	505,079	-	890,606
Investment in affiliate	3,055,455	-	(3,055,455)	-
Advance from affiliate	(1,040,113)	1,040,113	-	-
Accounts receivable, net of allowance for doubtful accounts of $9,547	418,762	64,132	-	482,894
Prepaid expenses	56,950	-	-	56,950
Property and equipment, net of accumulated depreciation	102,885	1,554,849	-	1,657,734
Total assets	$ 3,373,835	$ 3,499,571	$ (3,055,455)	$ 3,817,951
Liabilities:				
Accounts payable	$ 66,897	$ 6,723	$ -	$ 73,620
Accrued expenses	278,043	-	-	278,043
Deferred revenue	110,743	-	-	110,743
Long-term debt	-	437,393	-	437,393
Total liabilities	455,683	444,116	-	899,799
Net Assets:				
Net assets without donor restrictions:				
Designated for investment in property and equipment	102,885	1,114,438	-	1,217,323
Designated for group homes endowment	328,629	-	-	328,629
Undesignated	2,486,638	1,941,017	(3,055,455)	1,372,200
Total net assets without donor restrictions	2,918,152	3,055,455	(3,055,455)	2,918,152
Total liabilities and net assets	$ 3,373,835	$ 3,499,571	$ (3,055,455)	$ 3,817,951

Primrose Center Inc. and Affiliate
Consolidating Schedule of Activities
Year Ended June 30, 2019

Changes in Net Assets without donor restrictions:	Center	Properties	Eliminations	Total
Opearating revenues and Support:				
Fees and grants from governmental agencies	$ 3,538,313	$ -	$ -	$ 3,538,313
Contributions	42,214	-	-	42,214
Investment in affiliate income	201,535	-	(201,535)	-
Program service fees	499,063	-	-	499,063
Rental income	-	282,708	(282,708)	-
Investment income	20,768	22,546	-	43,314
Gain on disposal of property	36,566	-	-	36,566
Miscellaneous	11,881	693	-	12,574
Total operating revenues and support	4,350,340	305,947	(484,243)	4,172,044
Operating expenses:				
Program services:				
Center	1,710,975	72,823	(116,178)	1,667,620
Supported employment	177,113	-	(170)	176,943
Supported living	6,161	-	-	6,161
Group homes	1,698,294	30,589	(154,864)	1,574,019
Total program services	3,592,543	103,412	(271,212)	3,424,743
Support services:				
Management and general	537,458	1,000	(11,496)	526,962
Development	27,795	-	-	27,795
Total operating expenses	4,157,796	104,412	(282,708)	3,979,500
Total increase in net assets without donor restrictions	192,544	201,535	(201,535)	192,544
Increase in Net Assets	192,544	201,535	(201,535)	192,544
Net Assets at Beginning of Year	2,725,608	2,853,920	(2,853,920)	2,725,608
Net Assets at End of Year	$ 2,918,152	$ 3,055,455	$ (3,055,455)	$ 2,918,152

Consolidating Schedule of Cash Flows

Year Ended June 30, 2019

	Center	Properties	Eliminations	Total
Cash Flows from Operating Activities:				
Cash received from revenues and other support	$ 4,098,270	$ 219,269	$ (282,708)	$ 4,034,831
Cash paid for expenses	(4,050,130)	(928)	282,708	(3,768,350)
Investment income received	10,673	22,674	-	33,347
Interest paid	(523)	(6,920)	-	(7,443)
Net cash provided by operating activities	58,290	234,095	-	292,385
Cash Flows from Investing Activities:				
Purchase of investments	(92,071)	(84,902)	-	(176,973)
Sale of investments	85,583	71,021	-	156,604
Sale of property and equipment	37,074	-	-	37,074
Purchases of property and equipment	(22,846)	(508,773)	-	(531,619)
Net cash used for financing activities	7,740	(522,654)	-	(514,914)
Cash Flows from Financing Activities:				
Advances to (from) affiliate	112,514	(112,514)		-
Proceeds from long-term debt	-	300,000		300,000
Payments on long-term debt	(14,270)	(5,957)	-	(20,227)
Net cash provided by financing activities	98,244	181,529	-	279,773
Net Increase (Decrease) in Cash and Cash Equivalents	164,274	(107,030)	-	57,244
Cash and cash equivalents, beginning of year	230,095	442,428	-	672,523
Cash and cash equivalents, end of year	$ 394,369	$ 335,398	$ -	$ 729,767
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities:				
Change in net assets	$ 192,544	$ 201,535	$ (201,535)	$ 192,544
Adjustments to reconcile changes in net assets to net cash provided by operating activities:				
Depreciation and amortization	23,500	91,595	-	115,095
Unrealized (gain) loss on investments	(10,095)	128	-	(9,967)
Gain on disposal of property	(36,566)	-	-	(36,566)
(Increase) decrease in:				
Receivables	(67,183)	(64,132)	-	(131,315)
Investment in affiliate	(201,535)	-	201,535	-
Prepaid expense	944	-	-	944
Increase (decrease) in:				
Accounts payable	8,845	4,969	-	13,814
Accrued expenses	73,854	-	-	73,854
Deferred revenue	73,982	-	-	73,982
Net cash provided by operating activities	$ 58,290	$ 234,095	$ -	$ 292,385