

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Years Ended June 30, 2019 and 2018



Certified Public Accountants and Business Consultants

PHOENIXVILLE COMMUNITY HEALTH FOUNDATION AND SUBSIDIARY

TABLE OF CONTENTS YEARS ENDED JUNE 30, 2019 AND 2018

	Page
Independent Auditors' Report	1
Financial Statements	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Changes in Net Assets	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7
Supplementary Information	
Consolidating Statements of Financial Position	17
Consolidating Statements of Activities	18
Consolidating Statements of General Operating Expenses-- Net Assets Without Donor Restrictions, by Company	19
Consolidating Statements of Cash Flows by Company Expenses-- Net Assets Without Donor Restrictions, by Company	20

Independent Auditors' Report

To the Board of Directors
Phoenixville Community Health Foundation
and Subsidiary
Phoenixville, Pennsylvania

We have audited the accompanying consolidated financial statements of Phoenixville Community Health Foundation and Subsidiary, which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities, changes in net assets 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 financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 financial statements are free from material misstatement.

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

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

To the Board of Directors
Phoenixville Community Health Foundation
and Subsidiary
Phoenixville, Pennsylvania

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Phoenixville Community Health Foundation and Subsidiary as of June 30, 2019 and 2018, 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.

Emphasis of Matter

As disclosed in Note B, Phoenixville Community Health Foundation adopted new accounting guidance, implementing the FASB's ASU 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities* for the years ended June 30, 2019 and 2018. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 17 through 20 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.



Oaks, Pennsylvania
December 4, 2019

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 955,260	\$ 3,678,371
Accounts receivable	-	3,315
Other receivable	1,135	-
Prepaid taxes	-	96,315
Prepaid expenses	10,502	13,872
TOTAL CURRENT ASSETS	<u>966,897</u>	<u>3,791,873</u>
 PROPERTY, PLANT AND EQUIPMENT, net	 <u>615,032</u>	 <u>631,685</u>
 OTHER ASSETS		
Escrow	-	2,501
 LONG-TERM INVESTMENTS		
Investments in partnership	-	431,864
Long-term investments, marketable securities	54,544,838	50,811,272
TOTAL LONG-TERM INVESTMENTS	<u>54,544,838</u>	<u>51,243,136</u>
 TOTAL ASSETS	 <u>\$ 56,126,767</u>	 <u>\$ 55,669,195</u>
 CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 9,331	\$ 13,134
Current taxes payable	376,820	-
Grants payable	226,000	7,000
TOTAL CURRENT LIABILITIES	<u>612,151</u>	<u>20,134</u>
 LONG-TERM LIABILITIES		
Deferred tax liability	-	442,040
TOTAL LIABILITIES	<u>612,151</u>	<u>462,174</u>
 NET ASSETS		
Without donor restrictions	53,447,284	53,139,689
With donor restrictions	2,067,332	2,067,332
TOTAL NET ASSETS	<u>55,514,616</u>	<u>55,207,021</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 56,126,767</u>	 <u>\$ 55,669,195</u>

See accompanying notes.

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

**CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019		Totals
	Without Donor Restrictions	With Donor Restrictions	
REVENUES, GAINS (LOSSES) AND OTHER SUPPORT			
Donations	\$ 11,450	\$ -	\$ 11,450
Investment return, net	1,282,763	-	1,282,763
Interest and dividend income	2,049,389	-	2,049,389
Rental income	-	-	-
Reimbursed expenses	-	-	-
Miscellaneous	7,450	-	7,450
Gain (loss) from investment in partnership	(244,368)	-	(244,368)
Loss on abandoned assets	-	-	-
Net assets released from restrictions	-	-	-
TOTAL REVENUES, GAINS (LOSSES) AND OTHER SUPPORT	3,106,684	-	3,106,684
PROGRAM EXPENSES			
Grants made	1,829,500	-	1,829,500
MANAGEMENT AND GENERAL EXPENSES			
Salaries	414,674	-	414,674
Payroll taxes	29,376	-	29,376
Employee benefits	44,516	-	44,516
Rental	43,632	-	43,632
Repairs and maintenance	36,617	-	36,617
Depreciation	26,127	-	26,127
Professional fees	100,462	-	100,462
Reimbursable expenses paid	-	-	-
General operating expenses	244,976	-	244,976
Community relations	18,114	-	18,114
TOTAL MANAGEMENT AND GENERAL EXPENSES	958,494	-	958,494
INCOME TAX EXPENSE	11,095	-	11,095
TOTAL EXPENSES	2,799,089	-	2,799,089
CHANGE IN NET ASSETS	\$ 307,595	\$ -	\$ 307,595

See accompanying notes.

2018		
<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
\$ 52,325	\$ -	\$ 52,325
2,119,857	-	2,119,857
1,587,556	-	1,587,556
704,797	-	704,797
210,458	-	210,458
-	-	-
3,022,261	-	3,022,261
(1,321,644)	-	(1,321,644)
80	(80)	-
6,375,690	(80)	6,375,610
1,661,873	-	1,661,873
439,440	-	439,440
31,350	-	31,350
42,182	-	42,182
255,480	-	255,480
60,700	-	60,700
295,048	-	295,048
108,984	-	108,984
185,340	-	185,340
223,493	-	223,493
17,539	-	17,539
1,659,556	-	1,659,556
441,562	-	441,562
3,762,991	-	3,762,991
\$ 2,612,699	\$ (80)	\$ 2,612,619

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2019 AND 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
NET ASSETS, JULY 1, 2017	\$ 50,526,990	\$ 2,067,412	\$ 52,594,402
Increase (decrease) in net assets	<u>2,612,699</u>	<u>(80)</u>	<u>2,612,619</u>
NET ASSETS, JUNE 30, 2018	53,139,689	2,067,332	55,207,021
Increase in net assets	<u>307,595</u>	<u>-</u>	<u>307,595</u>
NET ASSETS, JUNE 30, 2019	<u>\$ 53,447,284</u>	<u>\$ 2,067,332</u>	<u>\$ 55,514,616</u>

See accompanying notes.

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

**CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 307,595	\$ 2,612,619
Adjustments to reconcile increase in net assets to net cash used by operating activities		
Depreciation	26,127	295,048
Net (income) loss from investment in partnership	244,368	(3,022,261)
Realized gain on sale of investments	(699,938)	(471,465)
Loss on abandoned property	-	1,321,644
Unrealized gain in market value of investments	(582,825)	(1,648,392)
(Increase) decrease in		
Accounts and other receivable	2,180	28,537
Deferred tax asset	-	(5,637)
Prepaid expenses and taxes	99,685	(74,300)
Escrow	2,501	(1)
Increase (decrease) in		
Accounts payable	(3,803)	(1,379)
Current taxes payable	376,820	-
Grants payable	219,000	(278,000)
Deferred tax liability	(442,040)	442,040
Deferred revenue	-	(2,459)
Tenant security deposits	-	(3,826)
NET CASH USED BY OPERATING ACTIVITIES	<u>(450,330)</u>	<u>(807,832)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	2,041,913	2,322,480
Purchase of investments	(4,492,716)	(1,688,180)
Distributions received from investment in partnership	187,496	2,934,816
Purchase of equipment	(9,474)	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(2,272,781)</u>	<u>3,569,116</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(2,723,111)</u>	<u>2,761,284</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>3,678,371</u>	<u>917,087</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 955,260</u>	<u>\$ 3,678,371</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid for income taxes	\$ -	\$ 56,722

See accompanying notes.

PHOENIXVILLE COMMUNITY HEALTH FOUNDATION AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2019 AND 2018

NOTE A - ORGANIZATION

The Phoenixville Community Health Foundation (the "Foundation") is a Pennsylvania nonprofit, non-stock corporation that was incorporated on June 26, 1997. The Foundation was organized in connection with the consummation of the merger of the Phoenixville Hospital into the University of Pennsylvania Health System ("PHUP"). The Foundation is governed by a self-perpetuating board of Directors composed of citizens of the Greater Phoenixville area.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The consolidated financial statements of the Foundation are prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles.

Change in Accounting Principle

In August 2016, the FASB issued Accounting Standards Update No. 2016-14 ("ASU 2016-14"), *Not-for-Profit Entities (Topic 958); Presentation of Financial Statements for Not-for-Profit Entities*. The Organization has implemented ASU 2016-14 for these financial statements dated June 30, 2019 and 2018 and for the years then ended.

Financial Statement Presentation

Under Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-10-65-1, the Organization is required to report information regarding its financial position and activities according to two mutually exclusive classes according to the existence or absence of donor-imposed restrictions. See Net Assets with Donor Restrictions and Net Assets without Donor Restrictions.

Net Assets with Donor Restrictions

The part of net assets of the Organization that is subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants). Some donors impose restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Net Assets without Donor Restrictions

The part of net assets of the Organization that is not subject to donor-imposed restrictions.

PHOENIXVILLE COMMUNITY HEALTH FOUNDATION AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidation Policy

The consolidated financial statements include the accounts of the Foundation and Ches-Mont Valley Ventures, Inc. a wholly-owned for-profit subsidiary. Intercompany transactions and balances have been eliminated in consolidation.

Cash and Cash Equivalents

The Foundation places its cash in high credit quality institutions. At times, balances may be in excess of the FDIC insurance limit. Banking institutions are insured by the FDIC up to \$250,000.

During the year ended June 30, 2019, the Foundation maintained cash balances with financial institutions in amounts that exceeded the FDIC limits. Accordingly, those balances would have been at risk in the event of nonperformance by the institutions. Management of the Foundation does not anticipate nonperformance. The uninsured balances as of June 30, 2019 and 2018 were \$976,056 and \$3,491,733, respectively which consisted fully of deposits invested in a Federal Money Market Fund.

Cash and equivalents include investments in highly liquid debt instruments with a maturity of three months or less which the Foundation used for general operating purposes.

Property and Equipment

The Foundation's property and equipment are stated at cost, which are capitalized if the costs are greater than \$500, less accumulated depreciation. Depreciation of property and equipment is computed on the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building	39
Building and leasehold improvements	15-39
Equipment	5-7

Investments

The Foundation carries investments in marketable securities with readily determinable fair values and debt securities at their fair values in the Statement of Financial Position. Investment income or loss (including realized gains and losses on investment, interest and dividends) is included in investment returns without donor restrictions unless the income or loss is restricted by donor or laws. Investment return or investments of donor-restricted funds are added to (deducted from) the appropriate net asset category based on the donor's restrictions. Unrealized gains and losses on investments are also included in net investment return in the accompanying Consolidated Statement of Activities. The average cost method is used to determine the cost of a security sold.

PHOENIXVILLE COMMUNITY HEALTH FOUNDATION AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Endowment Funds

In August 2008, the FASB issued FASB Staff Position (FSP) Financial Accounting Standard (FAS) No. 117-1, "*Endowments of Not-for Profit Organizations: Net Classifications of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds*" (FSP FAS 117-1). This is now part of FASB ASC 958-205. FSP FAS 117-1 provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). FSP FAS 117-1 also requires additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

The Commonwealth of Pennsylvania has not yet enacted UPMIFA. The Foundation adopted FSP FAS 117-1 during the year ended June 30, 2009.

Use of 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.

Revenues

Rental income is recognized under operating leases with tenants as earned. Lease terms generally extend beyond one year.

Grants

Grants authorized but unpaid at year end are reported as liabilities in accordance with FASB ASC No. 958-605 as it relates to accounting for contributions received and contributions made. Grants payable after one year are reflected at an appropriate discount.

Income Tax Status

The subsidiary is a corporation which is subject to Federal and State income taxes.

Based on professional accounting standards, deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of the entity's assets and liabilities.

The entity believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements.

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Foundation has received a tax determination letter from the Internal Revenue Service stating that it qualifies under the provisions of 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes. The Foundation is also exempt from Commonwealth of Pennsylvania taxation.

Functional Expenses

The costs of providing the Organization's program and other supporting services have been summarized on a functional basis in the statements of functional expenses. Accordingly, the expenses directly related to the program are charged to program expenses. The Organization's only program expense are grants. All other costs are charged to management and general expenses.

Date of Management's Review

Management has evaluated subsequent events through December 4, 2019, the date which the financial statements were available to be issued.

NOTE C - LIQUIDITY

The Foundation's financial assets available for general expenditures due within one year of the balance sheet date are as follows:

Cash and cash equivalents	\$	955,260
Other receivable		1,135
Prepaid expenses		<u>10,502</u>
Assets available		966,897
Current liabilities		<u>(612,151)</u>
Assets available for general expenditures	\$	<u><u>354,746</u></u>

The Foundation structures its financial assets to be available as general expenditures and commitments come due. As discussed in Note F, the Foundation has an endowment which may be drawn upon in the event of immediate liquidity need resulting from events outside the typical life cycle of converting financial assets or settling financial liabilities.

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE D - CASH AND CASH EQUIVALENTS

At June 30, 2019 and 2018, consolidated cash and cash equivalents consist of:

	<u>2019</u>	<u>2018</u>
Cash accounts	\$ 71,627	\$ 2,761,284
Money market accounts	<u>883,633</u>	<u>917,087</u>
	<u>\$ 955,260</u>	<u>\$ 3,678,371</u>

NOTE E - PROPERTY AND EQUIPMENT

Consolidated property and equipment as of June 30, 2019 and 2018, consists of the following:

	<u>2019</u>	<u>2018</u>
Building and land	\$ 725,000	\$ 725,000
Leasehold improvements	79,942	79,942
Equipment	<u>158,860</u>	<u>149,304</u>
	963,802	954,246
Accumulated depreciation	<u>(348,770)</u>	<u>(322,561)</u>
TOTAL	<u>\$ 615,032</u>	<u>\$ 631,685</u>

Total consolidated depreciation expense for the year ended June 30, 2019 and 2018, was \$26,127 and \$295,048, respectively. During the year ended June 30, 2018, the building in which the CMVV was sub-leasing was sold. The net book value of the leasehold improvements was abandoned with the transfer of the lease and a loss on abandoned assets was recorded in the amount of \$1,321,644.

NOTE F - LONG TERM INVESTMENTS, ENDOWMENT FUNDS

Effective July 1, 2009, the Foundation has adopted a spending policy of appropriating for distribution each year 5% of its board-designated endowment fund's fair value of the Foundation's previous year assets for the fiscal year in which the distribution is planned. In establishing the policy, the Foundation considered a long-term expected investment return on its endowment. Accordingly, the Foundation has adopted an investment policy that allows asset allocations of 30-75% of its investments in equities, 25-70% in fixed income securities, and 0-20% in Real Estate Investment Trusts, based on market conditions and advice of advisors, the investments are made with an expectation of a long-term investment horizon. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE F - LONG TERM INVESTMENTS, ENDOWMENT FUNDS (Continued)

To achieve that objective, the Foundation has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the fund if possible. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to limit the exposure of the fund to unacceptable levels of risk.

The consolidated financial statements reflect the adoption of FASB ASC 820, as it relates to *Fair Value Measurements and Disclosures*. FASB ASC 820 established a single authoritative definition of fair value, sets a framework for measuring fair value and requires additional disclosures about fair value measurement.

The Foundation classifies its investments into Level 1, which refers to securities traded in an active market, Level 2 which refers to securities not traded on an active market but for which observable inputs are readily available or Level 1 securities where there is a contractual restriction, and Level 3, which refers to securities not traded in active market and for which no significant observable market inputs are available. As of June 30, 2019, the Foundation's investments were classified as follows, based on fair values.

Endowment net asset (Level 1) composition by type of fund as of June 30, 2019 and 2018, is as follows:

	Without Donor Restrictions		With Donor Restrictions		Net Endowment Assets	
	2019	2018	2019	2018	2019	2018
Donor restricted endowment funds	\$ -	\$ -	\$ 2,067,332	\$ 2,067,332	\$ 2,067,332	\$ 2,067,332
Board designated endowment funds	52,477,506	48,518,965	-	-	52,477,506	48,518,965
TOTAL ENDOWMENT NET ASSETS	\$ 52,477,506	\$ 48,518,965	\$ 2,067,332	\$ 2,067,332	\$ 54,544,838	\$ 50,586,297

Securities are recorded at market value as of June 30, 2019 and 2018, and are comprised of the following:

	Cost		Market Value		Unrealized Appreciation (Depreciation)	
	2019	2018	2019	2018	2019	2018
Stock and equity funds	\$ 27,159,900	\$ 25,396,586	\$ 38,337,960	\$ 36,586,353	\$ 11,178,060	\$ 11,189,767
Bond funds	15,721,723	14,487,835	16,206,878	14,224,919	485,155	(262,916)
TOTAL LONG-TERM INVESTMENTS, marketable securities	\$ 42,881,623	\$ 39,884,421	\$ 54,544,838	\$ 50,811,272	\$ 11,663,215	\$ 10,926,851

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE F - LONG TERM INVESTMENTS, ENDOWMENT FUNDS (Continued)

Changes in endowment net assets as of June 30, 2019 and 2018 are as follows:

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Net Endowment Assets	Without Donor Restrictions	With Donor Restrictions	Net Endowment Assets
ENDOWMENT NET ASSETS, beginning of year	\$ 48,518,965	\$ 2,067,332	\$ 50,586,297	\$ 47,020,806	\$ 2,067,332	\$ 49,088,138
Interest and dividends	2,031,470	-	2,031,470	1,578,830	-	1,578,830
Asset management fees	(51,252)	-	(51,252)	(51,029)	-	(51,029)
Realized gains	699,938	-	699,938	471,350	-	471,350
Net unrealized gains	583,387	-	583,387	1,654,009	-	1,654,009
Contributions to endowment	3,075,000	-	3,075,000	-	-	-
Amounts appropriated for expenditure	(2,380,002)	-	(2,380,002)	(2,155,001)	-	(2,155,001)
ENDOWMENT NET ASSETS, end of year	<u>\$ 52,477,506</u>	<u>\$ 2,067,332</u>	<u>\$ 54,544,838</u>	<u>\$ 48,518,965</u>	<u>\$ 2,067,332</u>	<u>\$ 50,586,297</u>

Investments of the subsidiary (Level 1) are recorded at market value and are comprised of the following as of June 30, 2018:

	Cost	Fair Market Value	Unrealized Appreciation
Stock - ETF	\$ 37,198	\$ 37,298	\$ 100
Bonds - ETF	193,661	187,677	(5,984)
TOTAL INVESTMENTS	<u>\$ 230,859</u>	<u>\$ 224,975</u>	<u>\$ (5,884)</u>

Investment income of the subsidiary, net, as of June 30, 2019 and 2018, consists of the following:

	2019	2018
Interest and dividends	\$ 9,439	\$ 7,100
Net unrealized loss	(562)	(5,617)
Net unrealized gain	-	115
TOTAL INVESTMENT INCOME	<u>\$ 8,877</u>	<u>\$ 1,598</u>

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE F - LONG TERM INVESTMENTS, ENDOWMENT FUNDS (Continued)

Total net consolidated investment income as of June 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Interest and dividends	\$ 2,049,389	\$ 1,587,556
Realized gains, net	699,938	471,465
Net unrealized gains	<u>582,825</u>	<u>1,648,392</u>
TOTAL NET CONSOLIDATED INVESTMENT INCOME	\$ <u>3,332,152</u>	\$ <u>3,707,413</u>

NOTE G - INVESTMENT IN SUBSIDIARY

Ches-Mont Valley Ventures, Inc. (CMVV) is the managing general partner of Phoenixville Medical Building Associates (PMBA), a Pennsylvania partnership involved in real estate ownership. CMVV owns, as of June 30, 2018, 55.478% of PMBA. This investment is accounted for by use of the equity method. The investment is considered a passive rental real estate activity. As of June 30, 2019, the PMBA entity was dissolved and the assets were distributed to the partners. A summary of reported figures for partnership investments as of June 30, 2019 and 2018, are as follows:

	<u>2019</u>	<u>2018</u>
BEGINNING BALANCE, JULY 1	\$ 431,864	\$ 344,419
Income (loss)	(244,368)	3,022,262
Distributions	<u>(187,496)</u>	<u>(2,934,817)</u>
BALANCE, JUNE 30	\$ <u>-</u>	\$ <u>431,864</u>

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions totaling \$2,067,332 as of June 30, 2019 and 2018, consisted of endowment fund assets to be held indefinitely. The income from the assets are available for various purposes at the Foundation.

Net assets with donor restrictions as of June 30, 2019 and 2018, consisted of the following:

Charles J. Baker Memorial Endowment	\$ 269,396
2nd Century Society Endowment	1,792,435
Seagrave Family Memorial	<u>5,501</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	\$ <u>2,067,332</u>

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE I - RELATED PARTY TRANSACTIONS AND LEASE COMMITMENTS

CMVV had an operating lease agreement with PMBA at \$30,083 per month through March 2016. Effective April 1, 2016, monthly building space lease rates were changed to \$25,548 per month. The lease has a 15-year term with a commitment date of January 1, 2013 and a termination date of December 31, 2027. During the year ended June 30, 2018, the lease was terminated as a result of PMBA's sale of the building. As a result of the sale of the PMBA building, the Company also guaranteed certain leases through June 30, 2019 (See Note N Commitments and Contingencies). Lease expense for the year ending June 30, 2019 and 2018, was \$43,632 and \$255,480, respectively.

Rental income was \$704,797 for the year ended June 30, 2018. There was no rental income for the year ended June 30, 2019.

NOTE J - INCOME TAXES

The provision for income taxes consists of the following as of June 30:

	<u>2019</u>	<u>2018</u>
Current taxes (benefits)	\$ 11,095	\$ (6,115)
Deferred taxes	<u>-</u>	<u>447,677</u>
TOTAL PROVISION FOR INCOME TAXES	<u>\$ 11,095</u>	<u>\$ 441,562</u>

Deferred tax liability, resulting from book to tax timing differences on the sale of an investment in a partnership, consists of the following as of June 30:

	<u>2019</u>	<u>2018</u>
Federal	\$ -	\$ (289,210)
State	<u>-</u>	<u>(152,830)</u>
TOTAL DEFERRED TAX LIABILITY	<u>\$ -</u>	<u>\$ (442,040)</u>

NOTE K - GRANT COMMITMENTS

The Foundation had outstanding grant commitments to organizations at June 30, 2019 and 2018, in the amount of \$226,000 and \$7,000, respectively. The entire amount will be funded in the next year.

NOTE L - RETIREMENT PLAN – 401(k)

The Foundation adopted a retirement plan effective July 1, 2011. The retirement plan provides that employees will become participants after completing at least one year of eligible service.

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE L - RETIREMENT PLAN – 401(k) (Continued)

The Retirement Plan has a 401(k) feature, whereby the employees may contribute a percentage of their compensation up to the annual IRS limits. There is no provision for the Foundation to match the elective deferrals. The Foundation may also make certain discretionary contributions to the Plan.

The Foundation's discretionary contributions to the plan were \$23,433 and \$24,777 for the years ending June 30, 2019 and 2018, respectively.

Each participant in the plan is 100% vested at all times.

NOTE M - RETIREMENT PLAN – 403(b)

The Foundation adopted a retirement plan effective January 1, 2009. The retirement plan permits its employees to enter into a salary reduction agreement under the PCHF 403(b) Retirement Plan to have the Foundation contribute elective deferrals to various vendors for investment in annuity contracts, including custodial accounts. The Foundation has not made any contributions to this plan in the last two years.

NOTE N - COMMITMENTS AND CONTINGENCIES

CMVV was a general partner in PMBA through the year ended June 30, 2019. The investment in PMBA was accounted for under the equity method of accounting, and therefore no liabilities of PMBA were separately stated. All of the partners of PMBA were general partners. As a result of the sale of the PMBA building, the Company has also guaranteed certain leases through June 30, 2019 (See Note I Related Party Transactions and Lease Commitments). As of June 30, 2019 and through the date of this report, no events occurred that required CMVV to pay or incur any of the guaranteed leases.

SUPPLEMENTARY INFORMATION

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019			Consolidated Totals
	Phoenixville Community Health Foundation	Ches-Mont Valley Ventures, Inc.	Eliminations	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 365,935	\$ 589,325	\$ -	\$ 955,260
Accounts receivable	-	-	-	-
Other receivable	-	1,135	-	1,135
Prepaid taxes	-	-	-	-
Prepaid expenses	7,544	2,958	-	10,502
TOTAL CURRENT ASSETS	<u>373,479</u>	<u>593,418</u>	<u>-</u>	<u>966,897</u>
PROPERTY, PLANT AND EQUIPMENT, net	<u>615,032</u>	<u>-</u>	<u>-</u>	<u>615,032</u>
OTHER ASSETS				
Escrow	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LONG-TERM INVESTMENTS				
Marketable securities	54,544,838	-	-	54,544,838
Investment in subsidiary	214,028	-	(214,028)	-
Investment in partnership	-	-	-	-
TOTAL LONG-TERM INVESTMENTS	<u>54,758,866</u>	<u>-</u>	<u>(214,028)</u>	<u>54,544,838</u>
TOTAL ASSETS	<u>\$ 55,747,377</u>	<u>\$ 593,418</u>	<u>\$ (214,028)</u>	<u>\$ 56,126,767</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	\$ 6,761	\$ 2,570	\$ -	\$ 9,331
Current taxes payable	-	376,820	-	376,820
Grants payable	226,000	-	-	226,000
TOTAL CURRENT LIABILITIES	<u>232,761</u>	<u>379,390</u>	<u>-</u>	<u>612,151</u>
LONG-TERM LIABILITIES				
Deferred tax liability	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>232,761</u>	<u>379,390</u>	<u>-</u>	<u>612,151</u>
NET ASSETS				
Without donor restrictions	53,447,284	-	-	53,447,284
With donor restrictions	2,067,332	-	-	2,067,332
Common stock	-	1,000	(1,000)	-
Additional paid-in capital	-	2,030,238	(2,030,238)	-
Accumulated earnings (deficit)	-	(1,817,210)	1,817,210	-
TOTAL NET ASSETS	<u>55,514,616</u>	<u>214,028</u>	<u>(214,028)</u>	<u>55,514,616</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 55,747,377</u>	<u>\$ 593,418</u>	<u>\$ (214,028)</u>	<u>\$ 56,126,767</u>

2018

Phoenixville Community Health Foundation	Ches-Mont Valley Ventures, Inc.	Eliminations	Consolidated Totals
\$ 858,744	\$ 2,819,627	\$ -	\$ 3,678,371
3,315	-	-	3,315
-	-	-	-
-	96,315	-	96,315
13,194	678	-	13,872
<u>875,253</u>	<u>2,916,620</u>	<u>-</u>	<u>3,791,873</u>
<u>631,685</u>	<u>-</u>	<u>-</u>	<u>631,685</u>
<u>-</u>	<u>2,501</u>	<u>-</u>	<u>2,501</u>
50,586,297	224,975	-	50,811,272
3,133,920	-	(3,133,920)	-
-	431,864	-	431,864
<u>53,720,217</u>	<u>656,839</u>	<u>(3,133,920)</u>	<u>51,243,136</u>
<u>\$ 55,227,155</u>	<u>\$ 3,575,960</u>	<u>\$ (3,133,920)</u>	<u>\$ 55,669,195</u>
\$ 13,134	\$ -	\$ -	\$ 13,134
-	-	-	-
7,000	-	-	7,000
<u>20,134</u>	<u>-</u>	<u>-</u>	<u>20,134</u>
<u>-</u>	<u>442,040</u>	<u>-</u>	<u>442,040</u>
<u>20,134</u>	<u>442,040</u>	<u>-</u>	<u>462,174</u>
53,139,689	-	-	53,139,689
2,067,332	-	-	2,067,332
-	1,000	(1,000)	-
-	2,030,238	(2,030,238)	-
-	1,102,682	(1,102,682)	-
<u>55,207,021</u>	<u>3,133,920</u>	<u>(3,133,920)</u>	<u>55,207,021</u>
<u>\$ 55,227,155</u>	<u>\$ 3,575,960</u>	<u>\$ (3,133,920)</u>	<u>\$ 55,669,195</u>

PHOENIXVILLE COMMUNITY HEALTH FOUNDATION AND SUBSIDIARY

CONSOLIDATING STATEMENTS OF ACTIVITIES YEARS ENDED JUNE 30, 2019 AND 2018

	2019			
	Phoenixville Community Health Foundation	Ches-Mont Valley Ventures, Inc.	Eliminations	Consolidated Totals
REVENUES, GAINS AND OTHER SUPPORT				
Donations	\$ 11,450	\$ -	\$ -	\$ 11,450
Investment appreciation (depreciation), net	1,283,325	(562)	-	1,282,763
Interest and dividend income	2,039,950	9,439	-	2,049,389
Rental income	-	-	-	-
Reimbursed expenses	-	-	-	-
Miscellaneous	7,450	-	-	7,450
Net income from investment in partnership	-	(244,368)	-	(244,368)
Loss on abandoned assets	-	-	-	-
Equity in earnings of subsidiary	(319,892)	-	319,892	-
TOTAL REVENUES, GAINS AND OTHER SUPPORT	<u>3,022,283</u>	<u>(235,491)</u>	<u>319,892</u>	<u>3,106,684</u>
PROGRAM EXPENSES				
Grants made	1,829,500	-	-	1,829,500
MANAGEMENT AND GENERAL EXPENSES				
Salaries	414,674	-	-	414,674
Payroll taxes	29,376	-	-	29,376
Employee benefits	44,516	-	-	44,516
Rental	-	43,632	-	43,632
Repairs and maintenance	36,617	-	-	36,617
Depreciation	26,127	-	-	26,127
Professional fees	86,382	14,080	-	100,462
Reimbursable expenses paid	-	-	-	-
General operating expenses	229,382	15,594	-	244,976
Community relations	18,114	-	-	18,114
TOTAL MANAGEMENT AND GENERAL EXPENSES	<u>885,188</u>	<u>73,306</u>	<u>-</u>	<u>958,494</u>
INCOME TAX EXPENSE	<u>-</u>	<u>11,095</u>	<u>-</u>	<u>11,095</u>
TOTAL EXPENSES	<u>2,714,688</u>	<u>84,401</u>	<u>-</u>	<u>2,799,089</u>
INCREASE (DECREASE) IN NET ASSETS BEFORE DIVIDENDS PAID	307,595	(319,892)	319,892	307,595
DIVIDENDS PAID	<u>-</u>	<u>(2,600,000)</u>	<u>2,600,000</u>	<u>-</u>
INCREASE (DECREASE) IN NET ASSETS	<u>\$ 307,595</u>	<u>\$ (2,919,892)</u>	<u>\$ 2,919,892</u>	<u>\$ 307,595</u>

2018

Phoenixville Community Health Foundation	Ches-Mont Valley Ventures, Inc.	Eliminations	Consolidated Totals
\$ 52,325	\$ -	\$ -	\$ 52,325
2,125,359	(5,502)	-	2,119,857
1,580,456	7,100	-	1,587,556
-	704,797	-	704,797
-	210,458	-	210,458
-	-	-	-
-	3,022,261	-	3,022,261
-	(1,321,644)	-	(1,321,644)
1,399,752	-	(1,399,752)	-
<u>5,157,892</u>	<u>2,617,470</u>	<u>(1,399,752)</u>	<u>6,375,610</u>
<u>1,661,873</u>	<u>-</u>	<u>-</u>	<u>1,661,873</u>
439,440	-	-	439,440
31,350	-	-	31,350
42,182	-	-	42,182
-	255,480	-	255,480
60,700	-	-	60,700
26,894	268,154	-	295,048
68,583	40,401	-	108,984
-	185,340	-	185,340
196,712	26,781	-	223,493
17,539	-	-	17,539
<u>883,400</u>	<u>776,156</u>	<u>-</u>	<u>1,659,556</u>
<u>-</u>	<u>441,562</u>	<u>-</u>	<u>441,562</u>
<u>2,545,273</u>	<u>1,217,718</u>	<u>-</u>	<u>3,762,991</u>
2,612,619	1,399,752	(1,399,752)	2,612,619
<u>-</u>	<u>(26,125)</u>	<u>26,125</u>	<u>-</u>
<u>\$ 2,612,619</u>	<u>\$ 1,373,627</u>	<u>\$ (1,373,627)</u>	<u>\$ 2,612,619</u>

**PHOENIXVILLE COMMUNITY HEALTH FOUNDATION
AND SUBSIDIARY**

**CONSOLIDATING STATEMENTS OF GENERAL OPERATING EXPENSES--
NET ASSETS WITHOUT DONOR RESTRICTIONS, BY COMPANY
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019			Consolidated Totals
	Phoenixville Community Health Foundation	Ches-Mont Valley Ventures, Inc.	Eliminations	
Adopt a Family	\$ 2,309	\$ -	\$ -	\$ 2,309
Anniversary event	22,662	-	-	22,662
Bank fees	230	-	-	230
Clerical	990	-	-	990
Contributions	-	-	-	-
Dues and subscriptions	3,191	-	-	3,191
Federal excise tax	35,383	-	-	35,383
Grant analysis	10,065	-	-	10,065
Insurance	7,515	12,237	-	19,752
Internet	216	-	-	216
Management fees	51,252	799	-	52,051
Meals and entertainment	-	1,599	-	1,599
Membership dues	10,259	-	-	10,259
Miscellaneous	105	-	-	105
Office supplies	10,860	-	-	10,860
Payroll services	2,596	959	-	3,555
Postage and delivery	1,849	-	-	1,849
Printing	1,991	-	-	1,991
Program support (TV/website)	5,250	-	-	5,250
Real estate taxes	9,778	-	-	9,778
Repairs and maintenance equipment	6,100	-	-	6,100
Security	240	-	-	240
Staff development/seminars	3,764	-	-	3,764
Telephone	6,473	-	-	6,473
Trash, water and sewer	751	-	-	751
Travel	1,250	-	-	1,250
Training for program evaluation	7,525	-	-	7,525
Trustee and board meetings/conference/ educational expenses	19,511	-	-	19,511
Utilities	7,267	-	-	7,267
	<u>\$ 229,382</u>	<u>\$ 15,594</u>	<u>\$ -</u>	<u>\$ 244,976</u>

2018

Phoenixville Community Health Foundation	Ches-Mont Valley Ventures, Inc.	Eliminations	Consolidated Totals
\$ 1,172	\$ -	\$ -	\$ 1,172
18,115	-	-	18,115
130	-	-	130
848	-	-	848
-	12,850	-	12,850
2,557	-	-	2,557
18,054	-	-	18,054
11,055	-	-	11,055
7,327	9,966	-	17,293
66	-	-	66
51,029	3,685	-	54,714
-	199	-	199
5,625	-	-	5,625
120	-	-	120
9,392	-	-	9,392
1,488	81	-	1,569
2,524	-	-	2,524
1,142	-	-	1,142
6,990	-	-	6,990
9,499	-	-	9,499
12,643	-	-	12,643
240	-	-	240
1,664	-	-	1,664
5,486	-	-	5,486
1,017	-	-	1,017
1,209	-	-	1,209
6,465	-	-	6,465
14,480	-	-	14,480
6,375	-	-	6,375
<u>\$ 196,712</u>	<u>\$ 26,781</u>	<u>\$ -</u>	<u>\$ 223,493</u>

PHOENIXVILLE COMMUNITY HEALTH FOUNDATION AND SUBSIDIARY

CONSOLIDATING STATEMENTS OF CASH FLOWS BY COMPANY EXPENSES--NET ASSETS WITHOUT DONOR RESTRICTIONS, BY COMPANY YEARS ENDED JUNE 30, 2019 AND 2018

	2019			Consolidated Totals
	Phoenixville Community Health Foundation	Ches-Mont Valley Ventures, Inc.	Eliminations	
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in net assets	\$ 307,595	\$ -	\$ -	\$ 307,595
Net income (loss)	-	(319,892)	319,892	-
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities				
Depreciation	26,127	-	-	26,127
Net (income) loss from investment in partnership	-	244,368	-	244,368
Realized gain on sale of investments	(699,938)	-	-	(699,938)
Loss on abandoned property	-	-	-	-
Unrealized (gain) loss in market value of investments	(583,387)	562	-	(582,825)
Deferred tax asset	-	-	-	-
(Increase) decrease in				
Accounts and other receivable	3,315	(1,135)	-	2,180
Prepaid expenses and taxes	5,650	94,035	-	99,685
Escrow	-	2,501	-	2,501
Investment in subsidiary	319,892	-	(319,892)	-
Increase (decrease) in				
Accounts payable and accrued expenses	(6,373)	2,570	-	(3,803)
Current taxes payable	-	376,820	-	376,820
Grants payable	219,000	-	-	219,000
Deferred tax liability	-	(442,040)	-	(442,040)
Deferred revenue	-	-	-	-
Tenant security deposits	-	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(408,119)</u>	<u>(42,211)</u>	<u>-</u>	<u>(450,330)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of investments	1,817,500	224,413	-	2,041,913
Purchase of investments	(4,492,716)	-	-	(4,492,716)
Distributions received from investment in partnership	-	187,496	-	187,496
Purchase of equipment	(9,474)	-	-	(9,474)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(2,684,690)</u>	<u>411,909</u>	<u>-</u>	<u>(2,272,781)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Return of capital to parent company	-	-	-	-
Dividends received (paid)	2,600,000	(2,600,000)	-	-
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>2,600,000</u>	<u>(2,600,000)</u>	<u>-</u>	<u>-</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
	(492,809)	(2,230,302)	-	(2,723,111)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR				
	<u>858,744</u>	<u>2,819,627</u>	<u>-</u>	<u>3,678,371</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR				
	<u>\$ 365,935</u>	<u>\$ 589,325</u>	<u>\$ -</u>	<u>\$ 955,260</u>
SUPPLEMENTAL DISCLOSURES				
Cash paid for income taxes	\$ -	\$ -	\$ -	\$ -

2018

Phoenixville Community Health Foundation	Ches-Mont Valley Ventures, Inc.	Eliminations	Consolidated Totals
\$ 2,612,619	\$ -	\$ -	\$ 2,612,619
-	1,399,752	(1,399,752)	-
26,894	268,154	-	295,048
-	(3,022,261)	-	(3,022,261)
(471,350)	(115)	-	(471,465)
-	1,321,644	-	1,321,644
(1,654,009)	5,617	-	(1,648,392)
-	(5,637)	-	(5,637)
26,685	1,852	-	28,537
215	(74,515)	-	(74,300)
-	(1)	-	(1)
(1,399,752)	-	1,399,752	-
952	(2,331)	-	(1,379)
-	-	-	-
(278,000)	-	-	(278,000)
-	442,040	-	442,040
-	(2,459)	-	(2,459)
-	(3,826)	-	(3,826)
<u>(1,135,746)</u>	<u>327,914</u>	<u>-</u>	<u>(807,832)</u>
2,315,380	7,100	-	2,322,480
(1,688,180)	-	-	(1,688,180)
-	2,934,816	-	2,934,816
-	-	-	-
<u>627,200</u>	<u>2,941,916</u>	<u>-</u>	<u>3,569,116</u>
475,000	(475,000)	-	-
26,125	(26,125)	-	-
<u>501,125</u>	<u>(501,125)</u>	<u>-</u>	<u>-</u>
(7,421)	2,768,705	-	2,761,284
<u>866,165</u>	<u>50,922</u>	<u>-</u>	<u>917,087</u>
<u>\$ 858,744</u>	<u>\$ 2,819,627</u>	<u>\$ -</u>	<u>\$ 3,678,371</u>
\$ -	\$ 56,722	\$ -	\$ 56,722