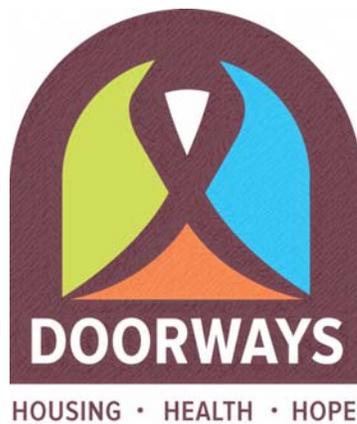

**INTERFAITH RESIDENCE
D/B/A DOORWAYS
AND RELATED ENTITIES**
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018



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Independent Auditors' Report

Board of Directors
Interfaith Residence d/b/a Doorways
St. Louis, Missouri

Report On The Financial Statements

We have audited the accompanying consolidated financial statements of Interfaith Residence d/b/a Doorways and related entities, not-for-profit organizations (collectively, Doorways), which comprise the consolidated statement of financial position as of June 30, 2018 and 2017, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 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 consolidated financial position of Interfaith Residence d/b/a Doorways and related entities, as of June 30, 2018 and 2017, and the changes in their net assets and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2018 on our consideration of Interfaith Residence d/b/a Doorways' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Interfaith Residence d/b/a Doorways' internal control over financial reporting and compliance.

RubinBrown LLP

September 25, 2018

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Page 1 Of 2

Assets

	June 30,	
	2018	2017
Current Assets		
Cash and cash equivalents	\$ 768,580	\$ 561,907
Tenant accounts receivable (net of allowance for doubtful accounts of \$50,955 in 2018 and \$72,340 in 2017)	26,833	14,731
Medicaid receivable (Note 9)	174,468	249,843
Accounts receivable - other	37,083	20,982
Grants receivable (Note 3)	1,017,501	954,587
Promises to give	47,129	102,578
Short-term investments (Note 4)	3,257,189	2,985,028
Prepaid expenses and deposits	49,039	44,092
Total Current Assets	5,377,822	4,933,748
Restricted Deposits And Funded Reserves (Note 13)		
Tenants' security deposits	20,604	23,828
Reserve for replacements	584,032	528,800
Residual receipts reserve	14,769	111,156
Other escrows	3,428	3,428
Total Restricted Deposits And Funded Reserves	622,833	667,212
Fixed Assets (Notes 5 And 12)		
Land improvements	519,504	519,504
Buildings and improvements	14,205,357	14,182,450
Furniture and equipment	897,784	755,817
Vehicles	62,939	62,939
	15,685,584	15,520,710
Less: Accumulated depreciation	8,344,991	7,797,769
	7,340,593	7,722,941
Land	417,383	417,383
Construction in progress	—	77,881
Total Fixed Assets	7,757,976	8,218,205
Total Assets	\$ 13,758,631	\$ 13,819,165

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Page 2 Of 2

Liabilities And Net Assets

	June 30,	
	2018	2017
Current Liabilities		
Accounts payable and accrued expenses	\$ 267,251	\$ 229,749
Accrued salaries, vacation and payroll withholdings	277,090	239,713
Prepaid rent	16,549	10,735
Total Current Liabilities	560,890	480,197
Noncurrent Liabilities		
Tenants' security deposits	21,469	21,258
Long-Term Debt (Notes 5 And 12)		
Capital advances	3,733,600	3,733,600
Affordable Housing Program Subsidy	497,000	497,000
Developer Subsidy Grant	376,892	376,892
Total Long-Term Debt	4,607,492	4,607,492
Total Liabilities	5,189,851	5,108,947
Net Assets		
Unrestricted:		
Investment in property and equipment	(863,716)	(403,487)
Capital advances (Note 12)	4,014,200	4,014,200
Replacement of land and building	584,032	528,800
Residual receipts	14,769	111,156
Available for operations	4,688,553	4,350,404
Total Unrestricted	8,437,838	8,601,073
Temporarily restricted (Note 7)	130,942	109,145
Total Net Assets	8,568,780	8,710,218
Total Liabilities And Net Assets	\$ 13,758,631	\$ 13,819,165

**INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES**

**CONSOLIDATED STATEMENT OF ACTIVITIES
For The Years Ended June 30, 2018 And 2017**

	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues And Public Support						
Contributions and Events:						
Fundraising events	\$ 413,064	\$ —	\$ 413,064	\$ 480,562	\$ —	\$ 480,562
Individuals	196,003	21,882	217,885	137,566	36,467	174,033
Foundations	25,000	173,040	198,040	35,017	85,460	120,477
Corporate	102,127	—	102,127	170,441	—	170,441
Religious groups	23,416	32,500	55,916	22,942	33,500	56,442
Total Contributions and Events	759,610	227,422	987,032	846,528	155,427	1,001,955
Government grants (Note 8)	5,218,285	—	5,218,285	5,425,322	—	5,425,322
Medicaid and private pay services (Note 9)	2,262,255	—	2,262,255	2,284,365	—	2,284,365
Service fees	24,629	—	24,629	299	—	299
Rental, net of vacancies and concessions	383,235	—	383,235	391,151	—	391,151
Interest and dividends	62,051	—	62,051	50,807	—	50,807
Miscellaneous	3,970	—	3,970	2,084	—	2,084
Net assets released from restrictions (Note 7)	205,625	(205,625)	—	192,551	(192,551)	—
Total Revenues And Public Support	8,919,660	21,797	8,941,457	9,193,107	(37,124)	9,155,983
Expenses						
Program services	7,929,328	—	7,929,328	7,814,749	—	7,814,749
Management and general	671,997	—	671,997	600,503	—	600,503
Private/public fund development	582,714	—	582,714	519,867	—	519,867
Total Expenses	9,184,039	—	9,184,039	8,935,119	—	8,935,119
Increase (Decrease) In Net Assets Before Recapture And Realized And Unrealized Gains On Investments	(264,379)	21,797	(242,582)	257,988	(37,124)	220,864
Recapture Of Residual Receipts Upon Expiration Of PRAC (Note 13)	(96,414)	—	(96,414)	—	—	—
Net Realized And Unrealized Gains On Investments (Note 4)	197,558	—	197,558	243,060	—	243,060
Increase (Decrease) In Net Assets	(163,235)	21,797	(141,438)	501,048	(37,124)	463,924
Net Assets - Beginning Of Year	8,601,073	109,145	8,710,218	8,100,025	146,269	8,246,294
Net Assets - End Of Year	\$ 8,437,838	\$ 130,942	\$ 8,568,780	\$ 8,601,073	\$ 109,145	\$ 8,710,218

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For The Years Ended June 30, 2018 And 2017

	2018				2017			
	Program	Management	Private/Public	Total	Program	Management	Private/Public	Total
	Services	And General	Fund Development		Services	And General	Fund Development	
Salaries and wages	\$ 2,387,285	\$ 218,037	\$ 242,018	\$ 2,847,340	\$ 2,175,965	\$ 204,417	\$ 246,464	\$ 2,626,846
Employee benefits	319,047	23,836	27,276	370,159	289,221	30,067	19,462	338,750
Payroll taxes	185,436	14,842	18,783	219,061	168,456	16,338	19,427	204,221
Direct assistance (Note 10)	3,824,635	—	—	3,824,635	3,944,334	323	—	3,944,657
Depreciation	521,787	47,686	—	569,473	503,703	12,682	—	516,385
Repairs and maintenance	369,292	16,855	5,750	391,897	396,450	19,251	5,815	421,516
Security contracts	48,085	—	—	48,085	86,822	—	—	86,822
Seminars, travel and recruiting	39,459	21,229	1,964	62,652	30,338	15,874	5,606	51,818
Office supplies	35,849	22,730	3,020	61,599	17,250	11,963	2,188	31,401
Telephone	29,918	7,757	1,166	38,841	29,796	4,801	1,061	35,658
Postage and printing	6,187	4,433	7,638	18,258	3,310	15,557	4,722	23,589
Professional services	32,411	245,306	93,739	371,456	53,028	225,253	28,109	306,390
Insurance	86,963	5,888	543	93,394	86,444	629	254	87,327
Miscellaneous	10,826	37,606	10,293	58,725	8,335	43,268	11,459	63,062
Public relations/fundraising	—	5,000	170,524	175,524	—	80	175,300	175,380
Interest (Note 6)	—	792	—	792	—	—	—	—
Bad debt expense	32,148	—	—	32,148	21,297	—	—	21,297
	\$ 7,929,328	\$ 671,997	\$ 582,714	\$ 9,184,039	\$ 7,814,749	\$ 600,503	\$ 519,867	\$ 8,935,119

**INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

Page 1 Of 2

	For The Years Ended June 30,	
	2018	2017
Cash Flows From Operating Activities		
Operating receipts:		
Contributions and events	\$ 985,541	\$ 863,037
Government grants	5,149,213	5,223,829
Medicaid insurance and private pay	2,321,529	2,173,834
Service fees	24,629	299
Rental	350,957	382,576
Interest	62,051	50,807
Miscellaneous	3,970	2,084
	8,897,890	8,696,466
Operating expenditures:		
Salaries and wages	2,809,963	2,606,444
Employee benefits	370,159	338,750
Payroll taxes	227,779	216,280
Direct assistance	3,789,131	3,858,250
Repairs and maintenance	409,862	408,760
Security contracts	48,085	86,822
Seminars, travel and recruiting	62,652	51,818
Office supplies	61,599	31,401
Telephone	38,841	35,658
Postage and printing	18,258	23,589
Professional services	329,516	270,170
Insurance	98,341	87,924
Miscellaneous	58,725	63,062
Public relations/fundraising	160,524	151,061
Interest	792	—
Tenants' security deposits	(3,435)	137
	8,480,792	8,230,126
Net Cash Provided By Operating Activities	417,098	466,340
Cash Flows From Investing Activities		
Purchases of fixed assets	(80,563)	(397,510)
Net deposits to reserve for replacements	(55,232)	(56,930)
Net deposits to residual receipts	(27)	(91)
Purchases of investments	(601,847)	(458,671)
Proceeds from sales of investments	283,598	354,014
Net Cash Used In Investing Activities	(454,071)	(559,188)
Cash Flows Provided By Financing Activities		
Proceeds from developer subsidy grant	—	80,092
Net Decrease In Cash And Cash Equivalents	(36,973)	(12,756)
Cash And Cash Equivalents - Beginning Of Year	815,844	828,600
Cash And Cash Equivalents - End Of Year	\$ 778,871	\$ 815,844
Cash And Cash Equivalents Consist Of:		
Cash and cash equivalents per consolidated statement of financial position	\$ 768,580	\$ 561,907
Cash and cash equivalents included in investments (Note 4)	10,291	253,937
Cash And Cash Equivalents - End Of Year	\$ 778,871	\$ 815,844

**INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

Page 2 Of 2

	For The Years Ended June 30,	
	2018	2017
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ (141,438)	\$ 463,924
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	569,473	516,385
Unrealized gains on investments	(54,831)	(208,372)
Realized gains on investments	(142,727)	(34,688)
Recapture of residual receipts upon expiration of PRAC	96,414	—
In-kind software donation	—	(57,817)
Changes in assets and liabilities:		
Tenant accounts receivable	(12,102)	12,216
Medicaid receivable	75,375	(138,288)
Accounts receivable - other	(16,101)	27,757
Grants receivable	(62,914)	(201,493)
Promises to give	55,449	(19,867)
Prepaid expenses and deposits	(4,947)	(597)
Tenants' security deposits	3,224	(21)
Accounts payable	8,821	86,409
Accrued salaries, vacation and payroll withholdings	37,377	20,402
Prepaid rent	5,814	506
Tenants' security deposits	211	(116)
Net Cash Provided By Operating Activities	\$ 417,098	\$ 466,340
Supplemental Cash Flow Disclosure		
Fixed asset additions included in accounts payable	\$ 28,681	\$ —

INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018 And 2017

1. Summary Of Significant Accounting Policies

Basis Of Accounting

The consolidated financial statements of Interfaith Residence d/b/a Doorways and related entities (collectively, Doorways) have been prepared on the accrual basis of accounting.

The consolidated financial statements include all accounts of Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place, entities related to Doorways through a common Board of Directors. All significant inter-entity transactions have been eliminated in consolidation.

Basis Of Presentation

As required by generally accepted accounting principles for not-for-profit organizations, Doorways reports information regarding its consolidated financial position and activities according to the following three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Doorways does not have any permanently restricted net assets as of June 30, 2018 or 2017.

Estimates And Assumptions

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Fair Value Measurements

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include listed equity and debt securities publicly traded on a stock exchange.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

- Level 2** Pricing inputs are other than quoted prices in active market, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.
- Level 3** Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

Cash And Cash Equivalents

Cash and cash equivalents are comprised of demand deposits and other short-term investments which are readily convertible to cash. At times, such amounts may be in excess of Federal Deposit Insurance Corporation insurance limits. Funds held in excess of the FDIC limit at June 30, 2018 and 2017 totaled approximately \$518,000 and \$497,000, respectively. Total cash held at the bank represents the amount of cash physically deposited in the bank at June 30, 2018 and 2017 without regard to deposits in transit or outstanding checks.

Accounts Receivable And Grants Receivable

Accounts and grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible accounts receivable through a charge to earnings and a credit to a valuation allowance 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. Changes in the valuation allowance have not been material to the consolidated financial statements. A valuation allowance is not considered necessary for the Medicaid receivable and grants receivable.

Promises To Give

Unconditional promises to give in future periods are recognized as support in the period the promises are received. Conditional promises to give, which depend upon specified future and uncertain events, are recognized as support when the conditions upon which they depend are substantially met. Promises to give are reported at the amount management expects to collect on balances outstanding at year end. Management closely monitors outstanding balances and writes off, as of year end, balances that are still outstanding after management has used reasonable collection efforts. All promises to give are collectible in less than one year.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

Investments

Investments in certificates of deposit, mutual funds and equity and debt securities with readily determinable fair values are measured at fair value in the consolidated statement of financial position. Investment income (including realized and unrealized gains on investments) is included in increase (decrease) in unrestricted net assets unless the income is restricted by donor or law. Realized gains or losses on the sale of investments are determined on the specific identification method.

Doorways invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

Restricted Deposits And Funded Reserves

Restricted deposits and funded reserves are comprised of interest-bearing checking and savings accounts.

Property And Equipment

Property and equipment are carried at cost, if purchased, or at fair value, if donated, less accumulated depreciation computed using the straight-line method. The assets are depreciated over periods ranging from 3 to 40 years.

Doorways reviews its investment in property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property and equipment may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property and equipment to the future net undiscounted cash flow expected to be generated by the property and equipment, including the residual value. If the property and equipment is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value. There was no impairment loss recognized for the years ended June 30, 2018 or 2017.

Rent Revenue

The rental property is generally leased to tenants under month-to-month noncancellable operating leases. Rent revenue is recognized on a straight-line basis over the terms of the leases.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

Restricted And Unrestricted Public Support

Doorways reports gifts of cash and other assets as unrestricted, temporarily restricted or permanently restricted, depending on the existence and/or nature of any donor restrictions.

Donor-restricted support subject to donor stipulations that limit its use as restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

In-Kind Contributions

Certain professional services are donated by various organizations. When these donated services meet the criteria for recognition under Accounting Standard Codification (ASC) 958-605, they are recorded at fair value at the date of donation. These services include the fair value of legal services in the amount of \$21,637, technology services of \$13,540, videography and photography of \$15,000 and a space study of \$6,763 for the year ended June 30, 2018. These services include the fair value of legal services in the amount of \$36,220, advertising of \$7,249, videography and photography of \$17,070 and maintenance of \$695 for the year ended June 30, 2017.

Doorways also receives donated materials, which are recorded at fair value at the date of receipt. Doorways records the value of donated materials when there is an objective basis available to measure their value. During 2017, Doorways received and capitalized the fair value of software in the amount of \$57,817. No such donated materials were recorded for the year ended June 30, 2018.

In-kind contributions are included in fundraising events, individual and corporate contributions on the consolidated statement of activities.

In addition, a number of volunteers have donated a significant amount of their time to Doorways' programs. However, such donated services have not been recorded because they do not meet the criteria for recognition.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

Description Of Program Services And Supporting Activities

The following program services and supporting activities are included in the accompanying consolidated financial statements:

Program Services

Includes those expenditures to assist Doorways in providing housing and related needs along with quality support and social services to persons with HIV/AIDS.

Management And General

Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of Doorways' program strategy; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of Doorways.

Private/Public Fund Development

Provides the structure necessary to encourage and secure public funds (government grants) and private financial support from corporations, foundations and individuals through various fundraising and special events.

Expense Allocation

Expenses are charged to program services and supporting activities on the basis of periodic time and expense reports. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of Doorways.

Tax Status

The Organizations - Interfaith Residence d/b/a Doorways, Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place - constitute qualified not-for-profit organizations under Section 501(c)(3) of the Internal Revenue Code and are, therefore, exempt from federal income taxes on related, exempt income.

The Organizations' tax returns for tax years 2014 and later remain subject to examination by taxing authorities.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

Subsequent Events

Management has evaluated subsequent events through the date which the consolidated financial statements were available for issue, which is the date of the Independent Auditors' Report.

2. Operations

Interfaith Residence d/b/a Doorways was incorporated in the State of Missouri as a not-for-profit corporation on February 22, 1988. Doorways was organized for the purpose of providing social welfare, health and charitable services, and support to all persons who may be afflicted with catastrophic illnesses. The corporation is organized exclusively for charitable, education, religious, or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Doorways received its 501(c)(3) determination letter on December 28, 1988.

Doorways provides housing and related supportive services to improve quality of life and health outcomes for people affected by HIV/AIDS; a positive HIV diagnosis is required to be a Doorways client. Safe affordable housing is critical for individuals during various phases of HIV/AIDS infection. Doorways' services are designed to provide housing, health and hope to the individuals and their families served.

The primary supportive programs provided by Doorways include:

Cooper House, formerly known as Doorways' Supportive Housing Facility, opened in 1997 to serve people who were unable to live independently as a result of HIV/AIDS. The fully accessible three-story building offers 36 private rooms with baths, 24-hour protective oversight and nursing care. Nursing staffing includes RNs, CNAs and LPNs who work with physicians to establish treatment plans and oversee complicated medical protocols. Social services for residents are provided by in-house social workers, while an activities coordinator organizes programs for clients, field trips, and emotional support. Healthy meals prepared and served daily and transportation to physicians' offices are provided. Cooper House is the only program of its kind in the region and was one of the first in the United States to provide intensive residential services to people living with HIV/AIDS.

The Residential program provides 103 apartment units at seven sites located throughout the City of St. Louis. The Residential program serves people affected by HIV/AIDS who are capable of independent living, yet these individuals' financial and health issues limit their ability to pay fair market rent.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

Within the Residential program, Doorways sponsors five independent living facilities for persons with HIV/AIDS disabilities: Jefferson Park, Inc. d/b/a Anne's House, Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place. The Board members for these organizations were selected from Doorways' Board members, and Doorways has an economic interest in these organizations. Accordingly, these entities have been consolidated with Doorways for this report. All significant inter-entity transactions have been eliminated in consolidation.

Doorways also operates two additional independent living facilities known as Delmar and Gertrude.

Doorways' Own Home Program is the primary provider of housing services to people living with HIV infection throughout the St. Louis Metropolitan region (seven Missouri and eight Illinois counties). The program provides rent, mortgage, utility, and move-in subsidies on behalf of people who are homeless, or who would otherwise become homeless when facing eviction or the loss of utility services. Own Home staff provide housing counseling, referral to community resources and a clearinghouse list of landlords with safe and affordable units available to people living with HIV/AIDS. Through the clearinghouse, Doorways' Own Home program inspects units to determine cleanliness and safety, assesses compliance with housing quality standards, maintains a list of approved units for clients in need, and advocates for clients with landlords and utility companies.

Jumpstart, designed for homeless families living with HIV/AIDS in the City of St. Louis, provides vital services that allow parents to maintain independence and provide a safe and stable environment in which they can raise their children.

The Outstate Program works with grassroots, community-based organizations which have a history of providing housing and related assistance to poor and disadvantaged persons, in an effort to develop comprehensive long-term supportive housing strategies for families living with HIV/AIDS in rural and under-served areas of both Missouri and Illinois.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

3. Grants Receivable

Grants receivable consist of the following:

	<u>2018</u>	<u>2017</u>
H.O.P.W.A.	\$ 592,719	\$ 284,884
Supportive Housing Program	183,524	228,499
Emergency Solutions Grant	14,853	15,285
Community Development Block Grant	7,740	—
Missouri Housing Development Commission	20,629	—
Ryan White Title I	97,304	147,027
Ryan White Title II	2,513	181,614
Affordable Housing Commission	98,219	97,278
	<u>\$ 1,017,501</u>	<u>\$ 954,587</u>

4. Investments And Fair Value Measurements

Investments held as of June 30 are as follows:

	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 10,291	\$ 253,937
Certificates of deposit	—	10,174
Cash in mutual funds	184,040	122,024
Bonds	1,342,018	1,031,418
Equity investments	1,720,840	1,567,475
	<u>\$ 3,257,189</u>	<u>\$ 2,985,028</u>

**INTERFAITH RESIDENCE D/B/A DOORWAYS
AND RELATED ENTITIES**

Notes To Consolidated Financial Statements (*Continued*)

The following are the major categories of assets and liabilities measured at fair value on a recurring basis during the years ended June 30, 2018 and 2017 using quoted prices in active markets for identical assets (Level 1); significant observable inputs for similar assets (Level 2); and significant unobservable inputs (Level 3):

	June 30, 2018			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 10,291	\$ —	\$ —	\$ 10,291
Cash in mutual funds	184,040	—	—	184,040
Bonds:				
Preferred stocks	—	124,181	—	124,181
Corporate bonds	56,762	93,119	—	149,881
Short-term bonds	250,292	—	—	250,292
Intermediate bonds	273,015	—	—	273,015
World bonds	544,649	—	—	544,649
Equity investments:				
Small cap	147,640	—	—	147,640
Mid-cap	134,894	—	—	134,894
Large-cap	843,791	—	—	843,791
Foreign	594,515	—	—	594,515
	\$ 3,039,889	\$ 217,300	\$ —	\$ 3,257,189

	June 30, 2017			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 253,937	\$ —	\$ —	\$ 253,937
Cash in mutual funds	122,024	—	—	122,024
Certificates of deposit	—	10,174	—	10,174
Bonds:				
Corporate bonds	54,794	106,162	—	160,956
Short-term bonds	165,947	15,246	—	181,193
Intermediate bonds	438,962	—	—	438,962
World bonds	250,307	—	—	250,307
Equity investments:				
Small cap	143,699	—	—	143,699
Mid-cap	142,119	—	—	142,119
Large-cap	752,640	—	—	752,640
Foreign	529,017	—	—	529,017
	\$ 2,853,446	\$ 131,582	\$ —	\$ 2,985,028

Investments carried at fair value are categorized as Level 1 for fair value purposes, except for certificates of deposit and corporate bonds which are categorized as Level 2.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

These assets utilize the following valuation techniques and inputs:

Certificates of deposit and bonds: The fair values of investments in certificates of deposit and bonds are primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker-dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options.

At June 30, 2018 and 2017, unrealized gains of \$54,831 and \$208,372, respectively, were recorded to adjust investments to fair value. For the years ended June 30, 2018 and 2017, realized gains of \$142,727 and \$34,688, respectively, were recorded.

5. Long-Term Debt

Capital Advances

During 2003, Kaya Malaika entered into a Capital Advance Agreement (the Note) for a capital advance in the amount of \$2,157,100, under Section 811 of the National Affordable Housing Act (NAHA). The Note is secured by a first deed of trust on the property. The Note shall bear no interest and shall be repayable only if Kaya Malaika does not remain available for very low-income, eligible individuals or families as approved by the U.S. Department of Housing and Urban Development (HUD) for no less than 40 years. If default is made by Kaya Malaika under the terms of the capital advance, the entire principal sum shall at once become due and payable without notice.

The debt evidenced by this Note may not be prepaid prior to the maturity date of August 2042 without the prior written approval of HUD. Provided the housing project has remained available for occupancy by eligible families until the maturity date of the Note, and the Note has not otherwise become due and payable by reason of defaults under the Note, mortgage or Regulatory Agreement, the Note shall be deemed to be paid and discharged. The balance at June 30, 2018 and 2017 amounted to \$2,157,100.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

During 2006, Partridge Place entered into a Capital Advance Agreement (the Note) for a capital advance in the amount of \$1,576,500, under Section 811 of the National Affordable Housing Act (NAHA). The Note is secured by a first deed of trust on the property. The Note shall bear no interest and shall be repayable only if Partridge Place does not remain available for very low-income, eligible individuals or families as approved by HUD for no less than 40 years. If default is made by Partridge Place under the terms of the capital advance, the entire principal sum shall at once become due and payable without notice.

The debt evidenced by this Note may not be prepaid prior to the maturity date of January 2047, without the prior written approval of HUD. Provided the housing project has remained available for occupancy by eligible families until the maturity date of the Note, and the Note has not otherwise become due and payable by reason of defaults under the Note, mortgage or Regulatory Agreement, the Note shall be deemed to be paid and discharged. The amount of the Capital Advance outstanding at June 30, 2018 and 2017 is \$1,576,500.

Affordable Housing Program Subsidy

On June 30, 2005, Partridge Place entered into an Affordable Housing Program Agreement for Rental Project for an Affordable Housing Program Subsidy (the Subsidy) in the amount of \$497,000 with the Federal Home Loan Bank of Des Moines. Partridge Place is subject to a deed restriction on the property, and the subsidy shall be repayable only if Partridge Place does not remain occupied by and affordable for households with incomes at or below 50% of area median income for a period of 15 years from February 2007. Additionally, at least 20% of Partridge Place's units (four units) must be reserved for tenants qualified as "homeless" households. If default is made by Partridge Place under the terms of the Subsidy Agreement, the entire subsidy, including interest if appropriate, as determined in the Bank's discretion, shall at once become due and payable without notice. The amount of the Subsidy outstanding at June 30, 2018 and 2017 is \$497,000.

Developer Subsidy Grants

On August 31, 2005, Partridge Place entered into a Housing Development Grant Agreement for a grant in the amount of \$296,800 with the City of St. Louis Affordable Housing Commission. Partridge Place is subject to a deed restriction on the property, and the grant shall be repayable only if Partridge Place does not remain occupied by and affordable for households with incomes at or below 20% of area median income for a period of 30 years from the project completion date February 2007. If default is made by Partridge Place under the terms of the Grant Agreement, the entire amount shall at once become due and payable without notice. The amount of the grant outstanding at June 30, 2018 and 2017 is \$296,800.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

On January 19, 2016, Doorways entered into a Housing Development Grant Agreement for a grant in the amount of \$80,092 with the City of St. Louis Affordable Housing Commission for the rehabilitation of Gertrude. Gertrude is subject to a deed restriction on the property, and the grant shall be repayable only if Gertrude does not remain occupied by and affordable for households with incomes at or below 20% of area median income for a period of 30 years from the project completion date, September 1, 2016. If default is made by Doorways under the terms of the Grant Agreement, the entire amount shall at once become due and payable without notice. The amount of the grant funded and outstanding at June 30, 2018 and 2017 is \$80,092.

6. Line Of Credit

On May 21, 2014, Doorways entered into a revolving line-of-credit agreement with a bank to support operational needs, as needed.

The unsecured agreement provided for maximum borrowings of \$400,000, with one-year maturity terms renewing in May of each year. On May 5, 2016, Doorways increased the revolving line-of-credit to provide maximum borrowings of \$500,000. Interest is payable monthly at the prime rate (5.0% at June 30, 2018). Doorways is required to maintain a minimum 12-month average balance of \$500,000 of cash and cash equivalents and/or short-term investments. As of June 30, 2018 and 2017, no amounts were outstanding on the line. Interest expense for the year ended June 30, 2018 amounted to \$792. No interest expense was incurred during the year ended June 30, 2017.

**INTERFAITH RESIDENCE D/B/A DOORWAYS
AND RELATED ENTITIES**

Notes To Consolidated Financial Statements (*Continued*)

7. Net Assets

Temporarily restricted net assets are subject to the following restrictions:

	<u>2018</u>	<u>2017</u>
Family residential programs	\$ 6,705	\$ —
Family residential capital projects	15,000	38,217
Cooper House	31,677	—
Own Home subsidies	36,860	—
Residential social worker	3,410	21,250
Database project	—	15,000
Jumpstart	2,908	1,000
Operations - time restriction	34,382	33,678
	<u>\$ 130,942</u>	<u>\$ 109,145</u>

Net assets were released from donor-imposed restrictions as follows:

	<u>2018</u>	<u>2017</u>
Cooper House repairs/improvements	\$ —	\$ 75,479
Family residential programs	9,091	—
Family residential capital projects	50,065	20,000
Gertrude project	—	17,900
Cooper House	36,718	—
Own Home subsidies	13,140	35,669
Residential social worker	42,841	—
Database project	15,000	15,000
Jumpstart	5,092	—
Operations - time restriction	33,678	28,503
	<u>\$ 205,625</u>	<u>\$ 192,551</u>

**INTERFAITH RESIDENCE D/B/A DOORWAYS
AND RELATED ENTITIES**

Notes To Consolidated Financial Statements (*Continued*)

8. Government Grants

Government grants consist of the following:

	2018	2017
Federal Funds		
U.S. Department of Housing and Urban Development		
H.O.P.W.A.		
Passed through the City of St. Louis Department of Health	\$ 1,454,113	\$ 1,020,244
Passed through the St. Clair County Health Department	25,302	2,657
Outstate Missouri	303,039	318,567
Outstate Illinois	295,665	316,730
Continuum of Care		
Passed through the City of St. Louis Department of		
Human Services	933,204	1,067,675
Emergency Solutions Grant		
Passed through Missouri Housing Development Commission	44,456	42,861
Community Development Block Grant		
Passed through City of St. Louis Community Development Administration	20,000	—
U.S. Department of Health and Human Services		
Ryan White Title I HIV Emergency Relief Project Grants		
Passed through the City of St. Louis Department of Health	413,230	412,281
Ryan White Title II HIV Care Formula Grants		
Passed through St. Clair County Health Department	—	56,513
Ryan White Title II Emergency Financial Assistance		
Passed Through Healthcare Strategic Initiatives	982,228	1,381,614
Non-Federal Funds		
Affordable Housing Commission	201,251	255,577
Missouri Housing Development Commission	20,629	48,739
HUD Project Rental Assistance Contracts		
Jefferson Park, Inc.	88,254	86,164
Tenth And Lami, Inc.	95,313	87,453
Mama Nyumba	139,345	133,364
Kaya Malaika	115,995	105,901
Partridge Place	86,261	88,982
	\$ 5,218,285	\$ 5,425,322

H.O.P.W.A. (Housing Opportunities for Persons Living with AIDS) funds are made available by HUD. These funds were used to provide rent, mortgage and utility assistance and housing - related services for people living with HIV/AIDS. The St. Louis Metropolitan Area assistance passes through the City of St. Louis. The assistance for the Outstate Missouri Program and the Outstate Illinois Program is received directly from HUD.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

Doorways receives funds from Continuum of Care as reimbursement for expenses related to the operations and supportive services of Cooper House, Delmar and Jumpstart. These funds, made available by the Stewart B. McKinney Homeless Assistance Act, are to provide qualified residents with self-contained units and to provide for necessary services, as needed, as well as expenses related to operations.

Doorways also receives funds originating from the U.S. Department of Health and Human Services (HHS) under the Ryan White HIV/AIDS Treatment Extension Act of 2009. These funds, which pass through the City of St. Louis, St. Clair County, Illinois and Healthcare Strategic Initiatives, are used to provide rental, security deposit and emergency housing assistance.

The Affordable Housing Commission and Missouri Housing Development Commission funds are used to supplement expenses incurred by Doorways in providing housing operations or housing assistance for low-income persons living with HIV/AIDS.

The Projects known as Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika, and Partridge Place receive Project Rental Assistance Contract payments from HUD.

9. Missouri Medicaid Waiver Program

Cooper House functions include, but are not limited to, dispensing medication, monitoring resident health concerns, and providing healthcare professionals to administer patient issues as they arise. Doorways is reimbursed for these rehabilitation services by the Missouri Department of Mental Health under the Medicaid Waiver Program on a per diem basis. For the years ended June 30, 2018 and 2017, Doorways recognized total income of \$2,188,890 and \$2,211,000, respectively, from the Medicaid Waiver Program, which is included in Medicaid and private pay services in the consolidated statement of activities. At June 30, 2018 and 2017, \$174,468 and \$249,843, respectively, was receivable.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

10. Direct Assistance

The expense category entitled direct assistance appearing in the consolidated statement of functional expenses consists of expenses for rents and utilities for the benefit of qualifying individuals and certain operating expenses of Cooper House, Delmar, Gertrude, Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place. A summary is as follows:

	<u>2018</u>	<u>2017</u>
Assistance for qualifying individuals	\$ 3,395,386	\$ 3,531,307
Cooper House expenses	222,923	220,490
Delmar and Gertrude utilities	22,785	18,956
Jefferson Park, Inc. utilities	29,096	32,322
Tenth And Lami, Inc. utilities	39,909	33,540
Mama Nyumba utilities	41,828	37,591
Kaya Malaika utilities	39,279	34,940
Partridge Place utilities	33,429	35,511
	<u>\$ 3,824,635</u>	<u>\$ 3,944,657</u>

11. Concentrations

Doorways operates in a heavily regulated environment and is subject to the administrative directives, rules, and regulations of federal, state, and local regulatory agencies, including, but not limited to the Departments of HUD and HHS. Such administrative directives, rules and regulations are subject to change by acts of Congress or administrative changes mandated by HUD or HHS and may occur with little notice or inadequate funding to pay for the related compliance costs. For the fiscal years ended June 30, 2018 and 2017, Doorways recognized total income of \$3,600,947 and \$3,270,598, respectively, from HUD and \$1,395,458 and \$1,850,408, respectively, from HHS.

Additionally, Doorways receives funding for certain residents from the Missouri Department of Mental Health (DMH) under the Medicaid Waiver Program. DMH reimburses Doorways for the expenses associated with the rehabilitation of these individuals. Doorways recognized total income of \$2,188,890 and \$2,211,000 from DMH for the years ended June 30, 2018 and 2017, respectively.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

12. Capital Advance Agreements

Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika, and Partridge Place have entered into Capital Advance Agreements with HUD. Capital advances do not bear interest and are not required to be repaid so long as the housing that was built using these funds remains available to eligible very low-income households for a period of 40 years in accordance with Section 811 of the National Affordable Housing Act. If the housing does not remain available to very low-income households until the maturity date of the Note, HUD may bill these projects for the entire capital advance outstanding plus interest since the date of the first advance. Each of these capital advances is secured by a deed of trust on the property constituting a valid first lien on the property and improvements of the respective project.

As of June 30, 2018 and 2017, Jefferson Park, Inc. had drawn \$1,248,800, Tenth And Lami, Inc. had drawn \$1,393,000 and Mama Nyumba had drawn \$1,372,400 on their respective capital advances. The maturity dates of the Notes for Jefferson Park, Inc., Tenth And Lami, Inc. and Mama Nyumba are January 2034, September 2035 and April 2039, respectively. Due to the low probability that the Projects will default on the terms of the Capital Advance Agreements, Doorways has elected to treat the entire proceeds as components of unrestricted net assets on the consolidated statement of financial position.

As of June 30, 2018 and 2017, Kaya Malaika had drawn \$2,157,100 on its capital advance agreement. As of June 30, 2018 and 2017, Partridge Place had drawn \$1,576,500 on its capital advance agreement. These are included in long-term debt in the consolidated statement of financial position (Note 5).

13. Restricted Deposits And Funded Reserves

The Capital Advance Agreements of Jefferson Park, Inc., Tenth And Lami, Inc., Mama Nyumba, Kaya Malaika and Partridge Place require each project to set aside amounts for the replacement of property and other project expenditures approved by HUD.

INTERFAITH RESIDENCE D/B/A DOORWAYS AND RELATED ENTITIES

Notes To Consolidated Financial Statements (*Continued*)

Additionally, HUD requires each project to deposit all surplus cash into a residual receipts fund. During September 2015, Jefferson Park, Inc., Tenth And Lami, Inc. and Partridge Place received a notice from HUD stating that any balance greater than \$250 per unit in a residual receipts account must be remitted to HUD's Accounting Center upon termination of the current Project Rental Assistance Program Agreement.

Jefferson Park Inc. and Partridge Place agreements were terminated in the year ended June 30, 2016 and will renew annually going forward. The residual receipts balance for each project noted above meets the HUD requirements.

As of March 2018, the Tenth And Lami, Inc. contract was renewed with rent increases. As a result of the contract renewal, Tenth And Lami, Inc. was required to disburse \$96,414 from the residual receipts account during the year ended June 30, 2018.

HUD restricted deposits for replacement of property and residual receipts totaled \$598,801 and \$639,956 at June 30, 2018 and 2017, respectively.

HUD also requires each project to hold security deposits received by tenants in separate federally insured, interest-bearing accounts. Security deposit accounts for these projects totaled \$20,604 and \$23,828 at June 30, 2018 and 2017, respectively.

14. Deferred Compensation Plan

Doorways maintains a deferred compensation plan under Section 403(b) of the Internal Revenue Code to which eligible employees contribute on a tax-deferred basis. Doorways matches contributions up to a maximum of 3%. Contributions for 2018 and 2017 amounted to \$50,574 and \$39,232, respectively.

15. Commitments And Contingencies

Doorways routinely receives and expends federal grant awards and also provides federal awards to subrecipients. Compliance with the requirements of laws, regulations, contracts and grants could have a direct and material effect on the major federal programs. Management does not believe any noncompliance which would result in reimbursement to the federal government to be material to Doorways' consolidated financial statements.

**INTERFAITH RESIDENCE D/B/A DOORWAYS
AND RELATED ENTITIES**

Notes To Consolidated Financial Statements (*Continued*)

Doorways is a direct party for lease agreements for 18 families in the Jumpstart program. The initial lease term is for a period of one year and renewals are month-to-month.

Independent Auditors' Report On Supplementary Information

Board of Directors
Interfaith Residence d/b/a Doorways
St. Louis, Missouri

We have audited the consolidated financial statements of Interfaith Residence d/b/a Doorways and related entities as of and for the years ended June 30, 2018 and 2017, and our report thereon dated September 25, 2018, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying consolidating statements of financial position, activities and expenses, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

RubinBrown LLP

September 25, 2018

**INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

Page 1 Of 2
June 30, 2018

	Assets								Total
	Doorways	Jefferson Park, Inc.	Tenth And Lami, Inc.	Mama Nyumba	Kaya Malaika	Partridge Place	Eliminations		
Current Assets									
Cash and cash equivalents	\$ 739,877	\$ 25,618	\$ 527	\$ 879	\$ 859	\$ 820	\$ —	\$ —	\$ 768,580
Tenant accounts receivable, net of allowance	7,387	3,633	3,866	4,387	4,086	3,474	—	—	26,833
Medicaid receivable	174,468	—	—	—	—	—	—	—	174,468
Accounts receivable - other	33,876	—	1,170	—	—	2,037	—	—	37,083
Grants receivable	1,017,501	—	—	—	—	—	—	—	1,017,501
Interagency receivable	467,317	—	—	—	—	—	(467,317)	—	—
Promises to give	47,129	—	—	—	—	—	—	—	47,129
Short-term investments	3,257,189	—	—	—	—	—	—	—	3,257,189
Prepaid expenses and deposits	39,726	3,194	3,243	2,876	—	—	—	—	49,039
Total Current Assets	5,784,470	32,445	8,806	8,142	4,945	6,331	(467,317)	—	5,377,822
Restricted Deposits and Funded Reserves									
Tenants' security deposits	—	7,224	4,347	3,024	2,346	3,663	—	—	20,604
Reserve for replacements	—	79,020	111,271	137,113	160,634	95,994	—	—	584,032
Residual receipts reserve	—	5,017	5,235	—	—	4,517	—	—	14,769
Other escrows	—	728	745	755	836	364	—	—	3,428
Total Escrow Accounts And Deposits	—	91,989	121,598	140,892	163,816	104,538	—	—	622,833
Fixed Assets									
Land improvements	75,491	—	—	8,060	231,654	204,299	—	—	519,504
Buildings and improvements	4,623,054	1,188,619	1,572,540	1,938,575	2,741,659	2,140,910	—	—	14,205,357
Furniture and equipment	406,676	85,789	8,087	140,517	139,970	116,745	—	—	897,784
Vehicles	62,939	—	—	—	—	—	—	—	62,939
	5,168,160	1,274,408	1,580,627	2,087,152	3,113,283	2,461,954	—	—	15,685,584
Less: Accumulated depreciation	3,439,278	769,479	881,862	1,027,744	1,368,853	857,775	—	—	8,344,991
	1,728,882	504,929	698,765	1,059,408	1,744,430	1,604,179	—	—	7,340,593
Land	62,001	152,140	44,984	147,500	8,729	2,029	—	—	417,383
Total Fixed Assets	1,790,883	657,069	743,749	1,206,908	1,753,159	1,606,208	—	—	7,757,976
Total Assets	\$ 7,575,353	\$ 781,503	\$ 874,153	\$ 1,355,942	\$ 1,921,920	\$ 1,717,077	\$ (467,317)	\$ —	\$ 13,758,631

**INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

Page 2 Of 2
June 30, 2018

Liabilities And Net Assets

	Doorways	Jefferson Park, Inc.	Tenth And Lami, Inc.	Mama Nyumba	Kaya Malaika	Partridge Place	Eliminations	Total
Current Liabilities								
Accounts payable and accrued expenses	\$ 235,075	\$ 22,318	\$ 843	\$ 2,545	\$ 2,280	\$ 4,190	\$ —	\$ 267,251
Interagency payable	—	639	798	128,961	189,449	133,523	(453,370)	—
Accrued salaries, vacation and payroll withholdings	277,091	3,137	3,112	2,720	2,691	2,286	(13,947)	277,090
Prepaid rent	14,999	706	167	13	612	52	—	16,549
Total Current Liabilities	527,165	26,800	4,920	134,239	195,032	140,051	(467,317)	560,890
Noncurrent Liabilities								
Tenants' security deposits	2,674	6,766	4,039	2,722	1,912	3,356	—	21,469
Long-Term Debt								
Capital advances	—	—	—	—	2,157,100	1,576,500	—	3,733,600
Affordable Housing Program Subsidy	—	—	—	—	—	497,000	—	497,000
Developer Subsidy Grant	80,092	—	—	—	—	296,800	—	376,892
Total Long-Term Debt	80,092	—	—	—	2,157,100	2,370,300	—	4,607,492
Total Liabilities	609,931	33,566	8,959	136,961	2,354,044	2,513,707	(467,317)	5,189,851
Net Assets								
Unrestricted	6,834,480	747,937	865,194	1,218,981	(432,124)	(796,630)	—	8,437,838
Temporarily restricted	130,942	—	—	—	—	—	—	130,942
Total Net Assets	6,965,422	747,937	865,194	1,218,981	(432,124)	(796,630)	—	8,568,780
Total Liabilities And Net Assets	\$ 7,575,353	\$ 781,503	\$ 874,153	\$ 1,355,942	\$ 1,921,920	\$ 1,717,077	\$ (467,317)	\$ 13,758,631

**INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES**

CONSOLIDATING STATEMENT OF ACTIVITIES

For The Year Ended June 30, 2018

	Doorways	Jefferson Park, Inc.	Tenth And Lami, Inc.	Mama Nyumba	Kaya Malaika	Partridge Place	Eliminations	Total
Revenues And Public Support								
Contributions and Events:								
Fundraising events	\$ 413,064	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 413,064
Individuals	217,885	—	—	—	—	—	—	217,885
Foundations	198,040	—	—	—	—	—	—	198,040
Corporate	102,127	—	—	—	—	—	—	102,127
Religious groups	55,916	—	—	—	—	—	—	55,916
Total Contributions and Events	987,032	—	—	—	—	—	—	987,032
Government grants	4,693,117	88,254	95,313	139,345	115,995	86,261	—	5,218,285
Medicaid and private pay services	2,262,255	—	—	—	—	—	—	2,262,255
Service fees	64,221	—	—	—	—	—	(39,592)	24,629
Rental, net of vacancies and concessions	168,512	63,240	46,621	28,715	37,819	38,328	—	383,235
Interest and dividends	61,592	56	126	98	109	70	—	62,051
Miscellaneous	948	411	946	1,090	—	575	—	3,970
Total Revenues And Public Support	8,237,677	151,961	143,006	169,248	153,923	125,234	(39,592)	8,941,457
Total Expenses	8,223,502	154,350	187,877	227,049	242,943	187,910	(39,592)	9,184,039
Increase (Decrease) In Net Assets Before								
Realized And Unrealized Gains On Investments	14,175	(2,389)	(44,871)	(57,801)	(89,020)	(62,676)	—	(242,582)
Recapture Of Residual Receipts Upon								
Expiration Of PRAC	—	—	(96,414)	—	—	—	—	(96,414)
Net Realized And Unrealized Gains On								
Investments	197,558	—	—	—	—	—	—	197,558
Increase (Decrease) In Net Assets	211,733	(2,389)	(141,285)	(57,801)	(89,020)	(62,676)	—	(141,438)
Net Assets - Beginning Of Year	6,753,689	750,326	1,006,479	1,276,782	(343,104)	(733,954)	—	8,710,218
Net Assets - End Of Year	\$ 6,965,422	\$ 747,937	\$ 865,194	\$ 1,218,981	\$ (432,124)	\$ (796,630)	\$ —	\$ 8,568,780

**INTERFAITH RESIDENCE
D/B/A DOORWAYS AND RELATED ENTITIES**

CONSOLIDATING STATEMENT OF EXPENSES

For The Year Ended June 30, 2018

	Doorways	Jefferson Park, Inc.	Tenth And Lami, Inc.	Mama Nyumba	Kaya Malaika	Partridge Place	Eliminations	Total
Salaries and wages	\$ 2,736,587	\$ 21,971	\$ 21,609	\$ 22,996	\$ 22,698	\$ 21,479	\$ —	\$ 2,847,340
Employee benefits	353,506	3,080	3,151	3,574	3,521	3,327	—	370,159
Payroll taxes	208,294	2,023	2,033	2,300	2,260	2,151	—	219,061
Direct assistance	3,641,094	29,096	39,909	41,828	39,279	33,429	—	3,824,635
Depreciation	251,613	35,540	52,659	69,938	92,580	67,143	—	569,473
Repairs and maintenance	250,263	29,252	35,953	30,029	25,209	21,191	—	391,897
Security contracts	—	756	479	22,274	22,262	2,314	—	48,085
Seminars, travel and recruiting	62,652	—	—	—	—	—	—	62,652
Office supplies	61,599	—	—	—	—	—	—	61,599
Telephone	23,203	2,930	1,927	4,847	1,132	4,802	—	38,841
Postage and printing	18,258	—	—	—	—	—	—	18,258
Professional services	333,406	7,500	7,500	7,500	7,765	7,785	—	371,456
Insurance	41,207	10,142	10,338	10,475	11,304	9,928	—	93,394
Miscellaneous	51,581	1,704	1,829	1,159	1,069	1,383	—	58,725
Public relations/fundraising	175,524	—	—	—	—	—	—	175,524
Interest	792	—	—	—	—	—	—	792
Management fees	—	9,606	8,066	5,720	8,283	7,917	(39,592)	—
Bad debt expense	13,923	750	2,424	4,409	5,581	5,061	—	32,148
	\$ 8,223,502	\$ 154,350	\$ 187,877	\$ 227,049	\$ 242,943	\$ 187,910	\$ (39,592)	\$ 9,184,039