

APHESIS HOUSE, INC.
NASHVILLE, TENNESSEE
JUNE 30, 2011

RONALD H. STEWART
Certified Public Accountant
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MEMBER
TENNESSEE ASSOCIATION
OF ACCOUNTANTS

MEMBER
NATIONAL SOCIETY
OF ACCOUNTANTS

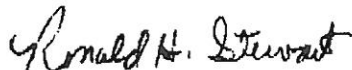
November 22, 2011

Board of Directors
Aphesis House, Inc.
1522 Compton Avenue
Nashville, TN 37212

I have compiled the accompanying statement of financial position - modified cash basis of Aphesis House, Inc. as of June 30, 2011, and the related statement of activities and changes in net assets for the period then ended, in accordance with Statements on Standards for Accounting in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the owner. I have not audited or reviewed the accompanying balance sheet and, accordingly, do not express an opinion or any other form of assurance on it.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, this financial statement is not designed for those who are not informed about such matters.



Ronald H. Stewart
Certified Public Accountant

APHESIS HOUSE, INC.
(A Tennessee Not For Profit Corporation)
STATEMENT OF FINANCIAL POSITION - MODIFIED CASH BASIS
JUNE 30, 2011

Assets

Current assets		
Cash		\$ 81,018
Property and equipment, at cost		
Building and land	72,198	
Vehicles	4,500	
Furniture, fixtures, and equipment	7,164	
Leasehold improvements	<u>4,377</u>	
	88,239	
Less: accumulated depreciation	<u>11,027</u>	
		<u>77,212</u>
Total assets		<u>\$158,230</u>

Liabilities and Net Assets

Current liabilities	
Credit Card Payable	2,721
Payroll taxes payable	2,833
Loans payable	4,512
Mortgage payable	<u>4,452</u>
Total Current liabilities	\$ 14,518
Non-Current liabilities	
Loans payable	12,059
Mortgage payable	<u>84,200</u>
Total non-current liabilities	<u>96,259</u>
Total liabilities	110,777
Net assets	
Unrestricted	<u>47,453</u>
Total liabilities and net assets	<u>\$158,230</u>

APHESIS HOUSE, INC.
(A Tennessee Not For Profit Corporation)
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED JUNE 30, 2011

Changes in unrestricted net assets:

Revenues, gains, and other support:

Contributions	\$ 4,347
Grants	23,150
Program fees	<u>33,353</u>
Total revenues and gains:	60,850
Operating expenses:	
Bank charges	340
Client rehabilitation classes	1,446
Client clothing, bus fares, etc.	7,606
Contract services	5,300
Contributions	523
Depreciation	1,781
Drug testing	241
Dues	90
Food	476
Fund raising costs	450
Insurance	2,708
Interest and finance charges	3,245
Maintenance - buildings & equipment	3,439
Management fees	11,000
Occupancy costs	18,657
Office supplies and expenses	1,049
Payroll taxes	1,237
Postage	187
Professional services	3,800
Taxes and licenses	370
Telephone	649
Travel and entertainment	2,607
Vehicle expenses	6,922
Wages and salaries	<u>26,262</u>
Total operating expenses	<u>100,385</u>
Decrease in unrestricted net assets	(39,535)
Net assets at beginning of year	86,751
Prior year correction	<u>237</u>
Net assets at end of year	\$ 47,453