THE ASSOCIATION FOR GUIDANCE, AID, PLACEMENT AND EMPATHY (AGAPE)

FINANCIAL STATEMENTS

June 30, 2016

THE ASSOCIATION FOR GUIDANCE, AID, PLACEMENT AND EMPATHY (AGAPE)

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FRASIERDEAN
HOWARDCPAs

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Association for Guidance, Aid, Placement
and Empathy (AGAPE)
Nashville, Tennessee

We have audited the accompanying financial statements of The Association for Guidance, Aid, Placement and Empathy (AGAPE) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, cash flows, and functional expenses for the eighteen-month period 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 financial statements.

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

Frasier, Dean & Howard, PLLC • 3310 West End Avenue, Suite 550 • Nashville, Tennessee 37203-1089 • 615.383.6592 • *fax* 615.383.7094 • www.fdhcpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Association for Guidance, Aid, Placement and Empathy (AGAPE) as of June 30, 2016, and the changes in its net assets and its cash flows for the eighteen-month period then ended in accordance with accounting principles generally accepted in the United States of America.

Frasier, Dean & Howard, PLLC

November 23, 2016

THE ASSOCIATION FOR GUIDANCE, AID, PLACEMENT AND EMPATHY (AGAPE)
STATEMENT OF FINANCIAL POSITION
June 30, 2016

Assets

Current assets:	
Cash and cash equivalents	$ 145,074
Investments	670,900
Accounts and pledges receivable, net	41,993
Prepaid expenses	18,167
Total current assets	876,134
Property and equipment, net	513,123
Investments, net of amounts shown as current	1,597,734
Total assets	$ 2,986,991

Liabilities and Net Assets

Current liabilities:	
Accounts payable	$ 18,848
Accrued expenses	68,221
Current portion of annuities payable	4,070
Total current liabilities	91,139
Annuities payable, net of current portion	30,053
Total liabilities	121,192
Net assets:	
Unrestricted	1,248,272
Temporarily restricted	646,435
Permanently restricted	971,092
Total net assets	2,865,799
Total liabilities and net assets	$ 2,986,991

See accompanying notes.

THE ASSOCIATION FOR GUIDANCE, AID, PLACEMENT AND EMPATHY (AGAPE)
STATEMENT OF ACTIVITIES
For the Eighteen-Month Period Ended June 30, 2016

Changes in unrestricted net assets:	
Public support:	
Individual support	$ 792,005
Corporate support	280,376
Congregational support	281,795
Memorial gifts	113,627
Estate gifts	43,963
In-kind donations	16,029
Total public support	1,527,795
Service revenue:	
Counseling fees	1,078,262
Adoption fees	120,048
Professional service fees	63,653
Foster care support	7,909
Total service revenue	1,269,872
Other revenue and gains (losses):	
Investment gain	8,589
Assets released from restrictions	44,143
Loss on disposal of assets	(1,774)
Miscellaneous income	24,462
Total other revenue and gains (losses)	75,420
Total public support, service and other revenue and gains (losses)	2,873,087
Expenses:	
Program services	2,252,522
Supporting services	1,050,317
Total expenses	3,302,839
Decrease in unrestricted net assets	(429,752)
Changes in temporarily restricted net assets:	
Contributions	30,475
Investment gain	18,093
Assets released from restrictions	(44,143)
Increase in temporarily restricted net assets	4,425
Change in net assets	(425,327)
Net assets at beginning of period	3,291,126
Net assets at end of period	$ 2,865,799

See accompanying notes.

THE ASSOCIATION FOR GUIDANCE, AID, PLACEMENT AND EMPATHY (AGAPE)
STATEMENT OF CASH FLOWS
For the Eighteen-Month Period Ended June 30, 2016

Cash flows from operating activities:	
Change in net assets	$ (425,327)
Adjustments to reconcile change in net assets to cash flows used in operating activities:	
Depreciation	66,192
Donated equipment	(7,949)
Net gain on investments	(10,704)
Loss on disposal of equipment	1,774
Changes in operating assets and liabilities:	
Accounts and pledges receivable	1,576
Prepaid expenses	(890)
Accounts payable	(876)
Accrued expenses	(11,050)
Annuities payable	(8,370)
Net cash used in operating activities	(395,624)
Cash flows from investing activities:	
Purchases of property and equipment	(20,365)
Proceeds from sale of investments	2,570,854
Purchases of investments	(2,149,513)
Net cash provided by investing activities	400,976
Net increase in cash and cash equivalents	5,352
Cash and cash equivalents at beginning of period	139,722
Cash and cash equivalents at end of period	$ 145,074
Supplemental disclosure of noncash investing activities:	
Donated equipment	$ 7,949

See accompanying notes.

THE ASSOCIATION FOR GUIDANCE, AID, PLACEMENT AND EMPATHY (AGAPE)
STATEMENT OF FUNCTIONAL EXPENSES
For the Eighteen-Month Period Ended June 30, 2016

	Counseling	Foster Care and Parental Education	Maternity Care and Adoption	Total Program Services	Management and General	Fundraising	Total Supporting Services	Grand Total
Salaries and related expenses	$ 845,553	$ 348,668	$ 137,608	$1,331,829	$ 407,523	$ 212,026	$ 619,549	$1,951,378
Psychiatric and clinical expenses	362,014	-	-	362,014	-	-	-	362,014
Support payments - foster care	-	228,747	-	228,747	-	-	-	228,747
Professional fees	20,616	53,897	9,855	84,368	16,261	62,870	79,131	163,499
Insurance	39,042	10,969	4,936	54,947	12,184	7,208	19,392	74,339
Golf tournament expenses	-	-	-	-	-	70,436	70,436	70,436
Depreciation	25,815	6,619	1,655	34,089	27,801	4,302	32,103	66,192
Supplies and maintenance	31,625	9,505	3,854	44,984	12,086	8,437	20,523	65,507
Miscellaneous	25,167	10,715	3,594	39,476	16,902	6,507	23,409	62,885
Annual dinner expenses	-	-	-	-	-	43,986	43,986	43,986
Barn sale expenses	-	-	-	-	-	39,916	39,916	39,916
Travel	8,209	11,473	7,634	27,316	10,372	2,076	12,448	39,764
Utilities	12,139	3,777	185	16,101	15,711	2,038	17,749	33,850
Advertising and promotion	2,375	1,273	810	4,458	-	22,215	22,215	26,673
Telephone	9,950	2,760	2,129	14,839	4,340	3,116	7,456	22,295
Direct mail costs	141	50	-	191	1,731	16,571	18,302	18,493
Postage	5,171	1,338	389	6,898	5,569	2,657	8,226	15,124
Dues and subscriptions	1,141	1,024	100	2,265	6,741	2,540	9,281	11,546
Annuity expense	-	-	-	-	6,195	-	6,195	6,195
	$1,388,958	$ 690,815	$ 172,749	$2,252,522	$ 543,416	$ 506,901	$1,050,317	$3,302,839

See accompanying notes.

THE ASSOCIATION FOR GUIDANCE, AID, PLACEMENT AND EMPATHY (AGAPE)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 – NATURE OF OPERATIONS

The Association for Guidance, Aid, Placement and Empathy (AGAPE) (the "Association") is a licensed, independent, nonprofit, family service agency providing (1) an educational program for teaching good family life and mental health; (2) counseling services for troubled marriages, family systems and individuals; and (3) children's services through foster care, placing children for adoption and group experiences for children. The Association is supported primarily by contributions from individuals, corporations and congregations of the Churches of Christ.

The financial statements reflect only the activities for which the Association is directly involved in the receipt and expending of funds and do not include indirect assistance to the Association's clients through other programs.

As discussed in Note 11, the Association changed its fiscal year end from December 31 to June 30.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Association are presented on the accrual basis. The significant accounting policies followed are described below:

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Association and changes therein are classified and reported as follows:

> Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.
>
> Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Association and/or the passage of time.
>
> Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Association.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Association reports the support as unrestricted.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. During the eighteen-month period ended June 30, 2016, the Association maintained deposits in financial institutions which, at times, exceeded federally insured limits. The Association has not experienced any losses in such accounts. At June 30, 2016, the Association had no balances in excess of federally insured limits.

Investments

According to the Not-for-Profit Entities topic of the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC"), investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are recognized in the statement of activities. Fair values are based on quoted market prices on the last business day of the year.

Gains and losses arising from the sale, collection, or other disposition of investments and other noncash assets and ordinary income from investments are accounted for in the unrestricted and temporarily restricted funds unless permanently restricted by the donor.

Fair Value Measurements

The Association has an established process for determining fair values. Fair value is based upon quoted market prices, where available. If listed prices or quotes are not available, fair value is based upon internally developed models or processes that use primarily market-based or independently-sourced market data and third party information. Valuation adjustments may be made to ensure that financial instruments are recorded at fair value. Furthermore, while the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies, or assumptions, to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. Accounting principles generally accepted in the United States of America have a three-level valuation hierarchy for fair value measurements. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The three levels are explained as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset and liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Receivables and Credit Policy

Accounts receivable for counseling services are uncollateralized client obligations due at the time the service is provided. Certain clients have been granted extended payment terms. Late fees or interest charges are not assessed on delinquent accounts. The carrying amount of accounts receivable is reduced by a valuation allowance, if necessary, which reflects management's best estimate of the amounts that will not be collected.

Pledges receivable are recorded when an unconditional promise to give is received. No discounts have been recorded on the pledges receivable that are due within one year.

Property and Equipment

Property and equipment are stated at cost. Donated assets are recorded at their estimated fair value at the date of the gift. Depreciation is provided over the assets' estimated useful lives using the straight-line method. Estimated useful lives for the various classes of assets are as follows:

Buildings and improvements	4 - 40 years
Furniture and equipment	3 - 7 years
Transportation equipment	5 years

Expenditures for maintenance and repairs are expensed when incurred. Expenditures for renewals or betterments are capitalized. When property is retired or sold, the cost and the related accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in the statement of activities.

Charitable Gift Annuities

The Association has entered into irrevocable agreements with donors whereby, in exchange for the gift from the donor, the Association is obligated to provide an annuity to the donor or other

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Charitable Gift Annuities (Continued)

designated beneficiaries for a specific number of years. A liability is recognized for the estimated present value of the annuity obligation and the assets are recorded at their gross market value for agreements where the Association is trustee. The discount rate and actuarial assumptions used in calculating the annuity obligation are those provided in Internal Revenue Service guidelines and actuarial tables. The portion of the funds attributable to the present value of the future benefits to be received by the Association was recorded in the statement of activities as unrestricted contributions in the periods the funds were received. There were no such gifts received during the eighteen-month period ended June 30, 2016. On an annual basis, the Association revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions. The present value of the estimated future payments ($34,123 at June 30, 2016) has been recorded as a liability in the accompanying statement of financial position. The Association maintains investments with a fair market value at June 30, 2016 of $14,752 with which to satisfy this obligation. According to the terms of the agreements, the Association is required to make quarterly payments totaling $2,533.

Income Taxes

The Association is exempt from federal income taxes under the provisions of Internal Revenue Code Section 501(c)(3) and, accordingly, no provision for income taxes is included in the financial statements.

The Association follows FASB ASC guidance that clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. This guidance prescribes a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. The Association has no tax penalties or interest reported in the accompanying financial statements. Tax years that remain open for examination include years ended December 31, 2012 through June 30, 2016. The Association had no uncertain tax positions at June 30, 2016.

Revenue Recognition

Cash contributions are recognized as revenue when received. Unconditional promises to give that are expected to be collected within one year are recorded at their estimated net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flow.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

The discounts on those amounts are computed using an interest rate applicable to the year in which the promise is received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met. Service revenue is recognized at the time the services are provided. In-kind contributions are recorded at fair value at the date of donation.

Valuation of Long-Lived Assets

The carrying values of long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Management reviews all material assets annually for possible impairment. If such assets are considered to be impaired, the impairment recognized is measured as the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Restricted Endowment Funds

The Uniform Prudent Management of Institutional Funds Act ("UPMIFA") was enacted in Tennessee effective July 1, 2007. The Not-for-Profit Entities topic of the FASB ASC provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of UPMIFA. It also requires disclosure of a description of the governing board's interpretation of the law that underlies the organization's net asset classification of donor-restricted endowment funds, a description of the organization's policies for the appropriation of endowment assets for expenditures (its endowment spending policies), a description of the organization's endowment investment policies, and additional disclosures not previously required.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

The Association evaluated subsequent events through November 23, 2016, when these financial statements were available to be issued. The Association is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to the filing of this report that would have a material impact on the financial statements.

NOTE 3 – CREDIT RISK AND OTHER CONCENTRATIONS

The Association utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is 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 statement of financial position.

NOTE 4 – INVESTMENTS

Investments are stated at fair value with fair value determined based on active markets (Level 1) and consist of the following at June 30, 2016:

Marketable equity securities	$ 1,610,972
Government securities	189,194
Corporate bonds	351,562
Mutual funds	33,736
Cash and short-term investments	83,170
	2,268,634
Less amounts shown as current	(670,900)
	$ 1,597,734

The following schedule summarizes the net investment income in the statements of activities for the eighteen-month period ended June 30, 2016:

Dividend income	$ 56,805
Interest income	13,166
Net gain on investments	10,704
Investment expenses	(53,993)
	$ 26,682

NOTE 4 – INVESTMENTS (Continued)

Net gain on investment is presented in the accompanying statement of activities as follows:

Unrestricted gain on investment	$ 8,589
Temporarily restricted gain on investment	18,093
	$ 26,682

NOTE 5 – PROPERTY AND EQUIPMENT

A summary of property and equipment as of June 30, 2016 is as follows:

Land	$ 139,790
Buildings and improvements	863,066
Furniture and equipment	132,056
Transportation equipment	25,789
	1,160,701
Accumulated depreciation	(647,578)
	$ 513,123

NOTE 6 – NET ASSETS

The board of directors has designated that certain types of support received not be used for current operating purposes. Such designation may be terminated at the discretion of the board and does not represent donor restrictions. A summary of unrestricted net assets at June 30, 2016, is as follows:

Board-designated:	
Heffington	$ 204,547
Kresge Foundation	102,922
	307,469
Undesignated	940,803
	$ 1,248,272

NOTE 6 – NET ASSETS (Continued)

Temporarily restricted net assets of $646,435 at June 30, 2016, consist of $615,960 of accumulated investment income from permanently restricted net assets to be used for the care of special needs children, $10,000 of pledges receivable, and $20,475 of contributions received to support the Association's Counseling Affordability Initiative.

Permanently restricted net assets of $971,092 at June 30, 2016, consist of investments in perpetuity, the income from which is expendable to support the care of special needs children.

NOTE 7 – ENDOWMENT AND PERMANENTLY RESTRICTED NET ASSETS

The Association's endowment consists of donor restricted gifts held in investment accounts. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based upon the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The board of directors of the Association has interpreted the State Prudent Management of Institutional Funds Act ("SPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by SPMIFA.

Endowment Investment Policy and Risk Parameters

The Association has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Association must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce results that exceed inflation by 4 percent while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

NOTE 7 – ENDOWMENT AND PERMANENTLY RESTRICTED NET ASSETS (Continued)

Strategies Employed for Achieving Investment Objectives

To satisfy its long-term rate-of-return objectives, the Association relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Association targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Association has a policy of appropriating for distribution each year 5 percent or less of its endowment fund's average fair value over the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Association considered the long-term expected return on its endowment. This is consistent with the Association’s objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Association to retain as a fund of perpetual duration. However, there were no such deficiencies as of June 30, 2016.

Changes in Endowment Net Assets for the Eighteen-Month Period Ended June 30, 2016:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of period	$ -	$ 631,867	$ 971,092	$ 1,602,959
Investment return:				
Investment income	-	12,195	-	12,195
Net appreciation (realized and unrealized)	-	5,898	-	5,898
Total investment return	-	18,093	-	18,093
Appropriations	-	(34,000)	-	(34,000)
Endowment net assets, end of period	$ -	$ 615,960	$ 971,092	$ 1,587,052

THE ASSOCIATION FOR GUIDANCE, AID, PLACEMENT AND EMPATHY (AGAPE)
NOTES TO THE FINANCIAL STATEMENTS (Continued)
June 30, 2016

NOTE 8 – RETIREMENT PLAN

The Association sponsors a defined contribution retirement plan for its employees, which was established under the provisions of Internal Revenue Code Section 403(b). In order to participate in the plan, an employee must be 21 years old and have six months of service. Employee contributions of up to 2.5 percent of wages are matched by the Association. The Association's matching contributions of $42,865 are included in salary and related expenses in the accompanying statement of functional expenses.

NOTE 9 – ADVERTISING EXPENSES

The Association's advertising efforts involved television, radio, magazine and yellow page advertisements to the general public. Costs associated with the advertising totaled $26,673 for the eighteen-month period ended June 30, 2016, and are included as advertising and promotion expenses in the accompanying statement of functional expenses.

NOTE 10 – LEASE COMMITMENTS

The Association leases certain equipment under noncancelable operating leases. Future minimum lease payments under the noncancelable leases as of June 30, 2016 are as follows:

Year Ending June 30	
2017	$ 14,136
2018	5,256
	$ 19,392

Total rental expense for the eighteen-month period ended June 30, 2016 was $24,293.

NOTE 11 – FISCAL YEAR

The Association's board of directors voted to change the fiscal year end from December 31 to June 30. Accordingly, the accompanying financial statements are presented for the eighteen-month period from January 1, 2015 to June 30, 2016.