

**NEW HORIZONS MINISTRIES
AND STREET BEAN ESPRESSO**

**CONSOLIDATED FINANCIAL STATEMENTS WITH
INDEPENDENT ACCOUNTANT' REVIEW REPORT**

**JUNE 30, 2015 (REVIEWED)
AND 2014 (AUDITED)**

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
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JUNE 30, 2015 AND 2014

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
New Horizons Ministries and Street Bean Espresso
Seattle, Washington

We have reviewed the accompanying statement of financial position of New Horizons Ministries and Street Bean Espresso (the Organization) as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made for the purpose of expressing a conclusion that there are no material modifications that should be made to the basic financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplemental consolidating statements on pages 15 and 17 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such supplementary information, which is the responsibility of management, has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements. We are not aware of any material modifications that should be made to such information.

The consolidated financial statements and supplemental information for the year ended June 30, 2014 were audited by us and we expressed an unmodified opinion on them in our report dated December 15, 2014, but we have not performed any auditing procedures since that date.

Jones & Associates LLC, CPAs

Jones & Associates LLC, CPAs
November 2, 2015

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2015 (REVIEWED) AND 2014 (AUDITED)

	2015	2014
ASSETS		
Cash and cash equivalents	\$ 301,602	\$ 198,295
Receivables, current	133,299	42,310
Prepaid expenses and other	13,565	10,584
Inventory	7,927	6,550
Total current assets	456,393	257,739
Cash restricted for capital campaign	-	500,732
Receivables, net of current	86,000	-
Interest in real estate	552,000	552,000
Property and equipment, net	1,655,657	1,098,888
	\$ 2,750,050	\$ 2,409,359
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 12,129	\$ 19,872
Wages and payroll taxes payable	31,268	38,818
Vacation payable	40,834	18,902
Other accrued expenses	5,177	4,056
Note payable, current	-	525,000
Total current liabilities	89,408	606,648
Note payable, net of current	521,175	-
	610,583	606,648
 NET ASSETS		
Unrestricted	1,876,833	1,250,962
Temporarily restricted	262,634	551,749
	2,139,467	1,802,711
	\$ 2,750,050	\$ 2,409,359

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015 (REVIEWED)

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Individual contributions	\$ 620,479	\$ 75,689	\$ 696,168
Capital campaign contributions and grants	-	72,893	72,893
Church and organizational contributions	81,000	-	81,000
Corporate contributions	49,688	-	49,688
Special events	221,615	-	221,615
In-kind contributions	246,753	-	246,753
Grants	79,324	224,667	303,991
Sales and other earned income	242,063	-	242,063
Loss on retirement of assets	(41,397)	-	(41,397)
Other	11,631	-	11,631
	<u>1,511,156</u>	<u>373,249</u>	<u>1,884,405</u>
Net assets released from restriction			
Satisfaction of program restriction	635,054	(635,054)	-
Satisfaction of time restriction	27,310	(27,310)	-
Total support and revenue	<u>2,173,520</u>	<u>(289,115)</u>	<u>1,884,405</u>
EXPENSES			
Program services	1,213,530	-	1,213,530
Management and general	170,587	-	170,587
Fundraising	163,532	-	163,532
Total expenses	<u>1,547,649</u>	<u>-</u>	<u>1,547,649</u>
CHANGE IN NET ASSETS	625,871	(289,115)	336,756
NET ASSETS			
Beginning of the year	<u>1,250,962</u>	<u>551,749</u>	<u>1,802,711</u>
End of the year	<u>\$ 1,876,833</u>	<u>\$ 262,634</u>	<u>\$ 2,139,467</u>

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014 (AUDITED)

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Individual contributions	\$ 464,264	\$ 27,310	\$ 491,574
Capital campaign contributions and grants	-	559,634	559,634
Church and organizational contributions	52,433	-	52,433
Corporate contributions	43,299	-	43,299
Special events	91,054	-	91,054
In-kind contributions	157,250	-	157,250
Grants	147,554	15,000	162,554
Sales and other earned income	224,231	-	224,231
Other	23,210	-	23,210
	<u>1,203,295</u>	<u>601,944</u>	<u>1,805,239</u>
Net assets released from restriction			
Satisfaction of program restriction	91,434	(91,434)	-
Satisfaction of time restriction	31,332	(31,332)	-
Total support and revenue	<u>1,326,061</u>	<u>479,178</u>	<u>1,805,239</u>
EXPENSES			
Program services	1,064,187	-	1,064,187
Management and general	172,361	-	172,361
Fundraising	118,566	-	118,566
Total expenses	<u>1,355,114</u>	<u>-</u>	<u>1,355,114</u>
CHANGE IN NET ASSETS	(29,053)	479,178	450,125
NET ASSETS			
Beginning of the year	<u>1,280,015</u>	<u>72,571</u>	<u>1,352,586</u>
End of the year	<u>\$ 1,250,962</u>	<u>\$ 551,749</u>	<u>\$ 1,802,711</u>

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2015 (REVIEWED)

	Program Services			Support Services		Total
	General	Street Bean	Total	Management and General	Fund-raising	
Salaries and wages	\$ 436,256	\$ 135,725	\$ 571,981	\$ 89,883	\$ 58,713	\$ 720,577
Payroll taxes	37,054	16,170	53,224	7,634	4,987	65,845
Employee benefits	33,322	2,262	35,584	6,865	4,485	46,934
Personnel costs	506,632	154,157	660,789	104,382	68,185	833,356
Cost of sales	-	103,716	103,716	-	-	103,716
Supplies	54,287	17,844	72,131	11,167	7,306	90,604
Youth assistance	90,140	-	90,140	-	-	90,140
Professional services	52,836	1,224	54,060	27,601	7,111	88,772
Occupancy and utilities	48,293	9,204	57,497	9,950	6,499	73,946
Marketing	-	9,684	9,684	-	58,445	68,129
Depreciation	23,926	29,015	52,941	4,930	3,220	61,091
Interest and fees	25,126	7,359	32,485	5,177	3,382	41,044
Lease	-	34,195	34,195	-	-	34,195
Computer, internet and phones	15,678	1,920	17,598	3,230	5,239	26,067
Business insurance	10,926	4,147	15,073	2,251	2,904	20,228
Staff and volunteer management	9,219	453	9,672	1,899	1,241	12,812
Repairs and maintenance	-	3,549	3,549	-	-	3,549
	<u>\$ 837,063</u>	<u>\$ 376,467</u>	<u>\$ 1,213,530</u>	<u>\$ 170,587</u>	<u>\$ 163,532</u>	<u>\$ 1,547,649</u>

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2014 (AUDITED)

	Program Services			Support Services		
	General	Street Bean	Total	Management and General	Fund-raising	Total
Salaries and wages	\$ 335,011	\$ 105,220	\$ 440,231	\$ 96,373	\$ 56,828	\$ 593,432
Payroll taxes	32,695	12,055	44,750	9,406	5,546	59,702
Employee benefits	35,888	8,704	44,592	10,324	6,088	61,004
Personnel costs	403,594	125,979	529,573	116,103	68,462	714,138
Cost of sales	-	86,731	86,731	-	-	86,731
Supplies	21,320	12,284	33,604	7,711	4,550	45,865
Youth assistance	118,191	-	118,191	-	-	118,191
Professional services	27,775	6,780	34,555	15,921	3,630	54,106
Occupancy and utilities	26,085	10,557	36,642	7,504	4,425	48,571
Marketing	-	1,481	1,481	-	22,686	24,167
Depreciation	30,907	35,924	66,831	8,891	5,243	80,965
Interest and fees	23,011	8,429	31,440	6,620	3,903	41,963
Lease	-	47,689	47,689	-	-	47,689
Computer, internet and phones	16,956	1,268	18,224	4,878	2,876	25,978
Business insurance	10,087	2,617	12,704	2,902	1,711	17,317
Staff and volunteer management	6,365	1,860	8,225	1,831	1,080	11,136
Repairs and maintenance	36,000	2,297	38,297	-	-	38,297
	<u>\$ 720,291</u>	<u>\$ 343,896</u>	<u>\$ 1,064,187</u>	<u>\$ 172,361</u>	<u>\$ 118,566</u>	<u>\$ 1,355,114</u>

See accompanying notes and independent accountants' review report.

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2015 (REVIEWED) AND 2014 (AUDITED)

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from contributions and grants	\$ 1,175,473	\$ 848,132
Cash received from sales and other income	253,694	247,441
Cash paid to employees and suppliers	(1,361,832)	(1,093,893)
	<u>67,335</u>	<u>1,680</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(543,033)	(55,369)
Deposits of cash restricted for capital campaign	-	(500,732)
Proceeds from sale of property and equipment	9,205	-
Withdrawals of cash restricted for capital campaign	500,732	-
	<u>(33,096)</u>	<u>(556,101)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on note payable	(3,825)	-
Capital campaign contributions and grants collected	72,893	559,634
	<u>69,068</u>	<u>559,634</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	103,307	5,213
CASH AND CASH EQUIVALENTS		
Beginning of the year	198,295	193,082
End of the year	<u>\$ 301,602</u>	<u>\$ 198,295</u>
SUPPLEMENTAL DISCLOSURES		
Interest paid	<u>\$ 27,520</u>	<u>\$ 27,633</u>
In-kind contribution of capitalized construction costs	<u>\$ 125,429</u>	<u>\$ -</u>

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015 (REVIEWED) AND 2014 (AUDITED)

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities – The consolidated financial statements include the activities of New Horizons Ministries (New Horizons) and Street Bean Espresso (Street Bean) (collectively, the Organization).

New Horizons is a non-profit, multi-cultural Christian ministry to homeless and street-involved young people in Seattle, Washington. New Horizons Ministries carries out its mission of helping homeless and street-involved young people by (1) connecting them to basic needs of food, clothing, hygiene, safety and rest, (2) engaging them in healthy relationships, a committed community of support, and personal and spiritual development, and (3) equipping them with life skills and job and educational opportunities for success away from the streets. Programs included for each of these services include (1) drop-in and outreach programs for connection to basic needs, (2) life discovery and case management (youth advocacy) programs for engaging for personal development and relationship building and (3) pre-apprentice, job training, job networking, and mentoring (coaching) programs for equipping in job and life skills. New Horizons is supported primarily through contributions, grants and special events.

Street Bean is a non-profit organization that provides training and employment for young people working to exit street life. Street Bean is supported primarily through café sales and contributions from individuals.

During the year ended June 30, 2015, the Organization completed its capital campaign and remodel of its existing space, which includes new space for the operations of Street Bean. The total cost of the project was approximately \$650,000.

Basis of Accounting and Presentation – The consolidated financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Organization had no permanently restricted net assets at June 30, 2015 and 2014.

Principles of Consolidation – The consolidated financial statements include the accounts of New Horizons and Street Bean. All significant intercompany transactions and balances have been eliminated. The two entities have been consolidated given New Horizons has both an economic interest in and control of Street Bean through a majority voting interest on its Board of Directors.

Cash and Cash Equivalents – For purposes of the statements of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. At June 30, 2015 and 2014, cash and cash equivalents consist of checking, savings and money market accounts. The Organization maintains certain cash and cash equivalents in bank accounts that may exceed federally insured limits at times during the year. The Organization has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015 (REVIEWED) AND 2014 (AUDITED)

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (continued)

Receivables – Receivables consist primarily of pledges from grantors and donors. Promises to give are unconditional and are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of benefits received. All account balances are unsecured. Noncurrent receivables are due in one to five years. No allowance for bad debts has been established by management based on the Organization’s historical experience in the collection of balances due.

Inventory – Inventory consists of clothing, coffee and service supplies. Purchased inventories are stated at the lower of cost or market. Donated inventories are stated at fair value at the date of donation. Inventories are valued using the first-in, first-out method.

Interest in Real Estate – New Horizons has a 20% passive ownership interest in a commercial real estate building in California. The interest in real estate is valued at fair value at the date of donation which is based on an appraisal by a qualified appraiser. Management believes that the asset has not experienced any significant impairment since it was donated.

Property and Equipment – Purchased property and equipment is stated at cost, net of depreciation. Donated property is recognized as revenue and capitalized at its estimated fair value at the date of receipt. The Organization capitalizes assets that have a useful life greater than one year and a value greater than \$500. Depreciation is computed using the straight-line method based on estimated useful lives.

Revenue Recognition – Contributions and grants are recorded as increases in unrestricted or temporarily restricted net assets, depending on the existence and/or nature of any donor restrictions. When a restriction expires, that is when a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Street Bean’s sales are recognized at the time of sale as unrestricted revenue.

In-kind Contributions – Noncash donations consist of goods, facilities and services. Donated goods are recorded as contribution revenue at fair value at the date of donation. Donated facilities and services are recorded as donations at their estimated fair values at the date of donation.

The Organization recognizes donated services if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing these skills, and would typically need to be purchased if not donated.

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

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015 (REVIEWED) AND 2014 (AUDITED)

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (continued)

Estimates – 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.

Income Tax Status – New Horizons and Street Bean are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. New Horizons and Street Bean qualify for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and have been classified as an organization other than a private foundation under Section 509(a)(1).

New Horizons and Street Bean file information and tax returns in the U.S. federal jurisdiction, and state and local jurisdictions. New Horizons and Street Bean are subject to U.S. federal, state and local examinations by tax authorities for the current year and certain prior years based on applicable laws and regulations.

Subsequent Events – Subsequent events were evaluated through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

Note 2 – Cash Flow Information

The following reconciles the change in net assets to net cash provided (used) by operating activities for the years ended June 30:

	2015	2014
Change in net assets	\$ 336,756	\$ 450,125
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Capital campaign contributions and grants	(72,893)	(559,634)
Depreciation	61,091	80,965
In-kind contribution of capitalized construction costs	(125,429)	-
Loss on retirement of assets	41,397	-
Change in:		
Receivables	(176,989)	7,218
Prepaid expenses and other	(2,981)	1,739
Inventory	(1,377)	433
Accounts payable	(7,743)	14,182
Wages and payroll taxes payable	(7,550)	7,698
Vacation payable	21,932	329
Other accrued expenses	1,121	(1,375)
	\$ 67,335	\$ 1,680

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015 (REVIEWED) AND 2014 (AUDITED)

Note 3 – Property and Equipment

Property and equipment consist of the following at June 30:

	2015	2014
Vehicles	\$ 26,961	\$ 26,961
Furniture, equipment and software	384,419	281,491
Furniture and equipment - Street Bean	41,788	88,405
Leasehold improvements	-	155,262
Building	1,497,382	918,928
	<u>1,950,550</u>	<u>1,471,047</u>
Less: accumulated depreciation	(716,093)	(813,569)
	<u>1,234,457</u>	<u>657,478</u>
Land	421,200	421,200
Construction in progress - capital campaign	-	20,210
	<u>\$ 1,655,657</u>	<u>\$ 1,098,888</u>

The estimated useful lives of the assets are as follow:

Vehicles	5 years
Furniture, equipment and software	3 - 39 years
Furniture and equipment - Street Bean	3 - 12 years
Leasehold improvements	8 years
Building	12 - 40 years

Note 4 – Note Payable

The Organization maintains a note payable with an original outstanding balance due of \$525,000 to a nonprofit organization. The note was refinanced during the year ended June 30, 2015 to extend the due date from December 2014 to December 2019. Interest only monthly payments at 5% are required until the due date. The note payable is secured by a deed of trust on New Horizon's land and building.

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015 (REVIEWED) AND 2014 (AUDITED)

Note 5 – Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following at June 30:

	2015	2014
Pledges to be collected in future years	\$ 219,299	\$ 27,310
Housing	28,750	-
Street ministry interns	10,228	21,926
Apprentice	3,100	-
Equipment	752	1,781
Other	505	-
Capital campaign for building remodel	-	500,732
	\$ 262,634	\$ 551,749

Note 6 – In-kind Contributions

In-kind contributions consist of the following for the years ended June 30:

	2015	2014
Services	\$ 185,586	\$ 49,361
Goods	61,167	75,154
Facilities	-	32,735
	\$ 246,753	\$ 157,250

In-kind contributions were utilized for the following purposes for the years ended June 30:

	2015	2014
Program services	\$ 62,431	\$ 99,918
Management and general	55,998	44,671
Fundraising	2,895	12,661
Capitalized construction costs	125,429	-
	\$ 246,753	\$ 157,250

Note 7 – Funds Held By The Seattle Foundation

At June 30, 2015 and 2014, The Seattle Foundation maintained \$148,924 and \$153,673 in funds designated for New Horizons, respectively. New Horizons can request the funds by a majority vote of its Board of Directors. However, The Seattle Foundation has ultimate authority and control over the funds. Accordingly, these funds are not included in the Organization’s consolidated financial statements.

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015 (REVIEWED) AND 2014 (AUDITED)

Note 8 – Support and Revenue Concentration

One donor contributed 13% of total support and revenue during the year ended June 30, 2015. A different donor contributed 17% of total support and revenue during the year ended June 30, 2014.

Note 9 – Related Party Transaction

The husband of the Organization's Executive Director acted as the general contractor for a major building remodel that was completed during the year ended June 30, 2015. The Organization paid the general contractor \$399,009 for the remodel. Additionally, the general contractor donated a significant amount of his time valued at \$125,429.

SUPPLEMENTAL INFORMATION

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015 (REVIEWED)

	New Horizons	Street Bean	Eliminations	Consolidated
ASSETS				
Cash and cash equivalents	\$ 297,182	\$ 4,420	\$ -	\$ 301,602
Receivables, current	123,667	9,632	-	133,299
Prepaid expenses and other	13,565	-	-	13,565
Inventory	3,361	4,566	-	7,927
Total current assets	<u>437,775</u>	<u>18,618</u>	<u>-</u>	<u>456,393</u>
Receivables, net of current	86,000	-	-	86,000
Interest in real estate	552,000	-	-	552,000
Property and equipment, net	<u>1,629,611</u>	<u>26,046</u>	<u>-</u>	<u>1,655,657</u>
	<u>\$ 2,705,386</u>	<u>\$ 44,664</u>	<u>\$ -</u>	<u>\$ 2,750,050</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 9,072	\$ 3,057	\$ -	\$ 12,129
Wages and payroll taxes payable	28,731	2,537	-	31,268
Vacation payable	34,662	6,172	-	40,834
Other accrued expenses	-	5,177	-	5,177
Total current liabilities	<u>72,465</u>	<u>16,943</u>	<u>-</u>	<u>89,408</u>
Note payable	<u>521,175</u>	<u>-</u>	<u>-</u>	<u>521,175</u>
NET ASSETS				
Unrestricted	1,858,744	18,089	-	1,876,833
Temporarily restricted	253,002	9,632	-	262,634
	<u>2,111,746</u>	<u>27,721</u>	<u>-</u>	<u>2,139,467</u>
	<u>\$ 2,705,386</u>	<u>\$ 44,664</u>	<u>\$ -</u>	<u>\$ 2,750,050</u>

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014 (AUDITED)

	New Horizons	Street Bean	Eliminations	Consolidated
ASSETS				
Cash and cash equivalents	\$ 194,786	\$ 3,509	\$ -	\$ 198,295
Receivables	81,907	-	(39,597)	42,310
Prepaid expenses and other	8,584	2,000	-	10,584
Inventory	3,000	3,550	-	6,550
Total current assets	<u>288,277</u>	<u>9,059</u>	<u>(39,597)</u>	<u>257,739</u>
Cash restricted for capital campaign	500,732	-	-	500,732
Interest in real estate	552,000	-	-	552,000
Property and equipment, net	<u>1,000,513</u>	<u>98,375</u>	<u>-</u>	<u>1,098,888</u>
	<u><u>\$ 2,341,522</u></u>	<u><u>\$ 107,434</u></u>	<u><u>\$ (39,597)</u></u>	<u><u>\$ 2,409,359</u></u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 17,652	\$ 41,817	\$ (39,597)	\$ 19,872
Wages and payroll taxes payable	35,714	3,104	-	38,818
Vacation payable	15,314	3,588	-	18,902
Other accrued expenses	-	4,056	-	4,056
Note payable, current	<u>525,000</u>	<u>-</u>	<u>-</u>	<u>525,000</u>
Total current liabilities	<u>593,680</u>	<u>52,565</u>	<u>(39,597)</u>	<u>606,648</u>
NET ASSETS				
Unrestricted	1,196,093	54,869	-	1,250,962
Temporarily restricted	<u>551,749</u>	<u>-</u>	<u>-</u>	<u>551,749</u>
	<u>1,747,842</u>	<u>54,869</u>	<u>-</u>	<u>1,802,711</u>
	<u><u>\$ 2,341,522</u></u>	<u><u>\$ 107,434</u></u>	<u><u>\$ (39,597)</u></u>	<u><u>\$ 2,409,359</u></u>

**NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015 (REVIEWED)**

	New Horizons	Street Bean	Eliminations	Consolidated
UNRESTRICTED NET ASSETS				
SUPPORT AND REVENUE				
Individual contributions	\$ 609,089	\$ 31,178	\$ (19,788)	\$ 620,479
Church and organizational contributions	74,039	6,961	-	81,000
Corporate contributions	49,688	-	-	49,688
Special events	221,615	-	-	221,615
In-kind contributions	236,742	10,011	-	246,753
Grants	79,124	200	-	79,324
Sales and other earned income	-	242,063	-	242,063
Forgiveness of debt	-	87,803	(87,803)	-
Loss on retirement of assets	-	(41,397)	-	(41,397)
Other	8,763	2,868	-	11,631
	<u>1,279,060</u>	<u>339,687</u>	<u>(107,591)</u>	<u>1,511,156</u>
Net assets released from restriction				
Satisfaction of program restriction	635,054	-	-	635,054
Satisfaction of time restriction	27,310	-	-	27,310
	<u>1,941,424</u>	<u>339,687</u>	<u>(107,591)</u>	<u>2,173,520</u>
EXPENSES				
Program services	944,654	376,467	(107,591)	1,213,530
Management and general	170,587	-	-	170,587
Fundraising	163,532	-	-	163,532
	<u>1,278,773</u>	<u>376,467</u>	<u>(107,591)</u>	<u>1,547,649</u>
CHANGE IN UNREST. NET ASSETS	<u>662,651</u>	<u>(36,780)</u>	<u>-</u>	<u>625,871</u>
TEMPORARILY REST. NET ASSETS				
Capital campaign contribs. and grants	72,893	-	-	72,893
Contributions and grants	290,724	9,632	-	300,356
Net assets released from restriction	(662,364)	-	-	(662,364)
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	<u>(298,747)</u>	<u>9,632</u>	<u>-</u>	<u>(289,115)</u>
CHANGE IN NET ASSETS	363,904	(27,148)	-	336,756
NET ASSETS				
Beginning of the year	<u>1,747,842</u>	<u>54,869</u>	<u>-</u>	<u>1,802,711</u>
End of the year	<u>\$ 2,111,746</u>	<u>\$ 27,721</u>	<u>\$ -</u>	<u>\$ 2,139,467</u>

See accompanying notes and independent accountants' review report.

NEW HORIZONS MINISTRIES AND STREET BEAN ESPRESSO
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014 (AUDITED)

	New Horizons	Street Bean	Eliminations	Consolidated
UNRESTRICTED NET ASSETS				
SUPPORT AND REVENUE				
Individual contributions	\$ 437,147	\$ 32,617	\$ (5,500)	\$ 464,264
Church and organizational contributions	45,957	6,476	-	52,433
Corporate contributions	43,299	-	-	43,299
Special events	91,054	-	-	91,054
In-kind contributions	123,833	33,417	-	157,250
Grants	132,729	14,825	-	147,554
Sales and other earned income	2,000	222,231	-	224,231
Other	22,931	279	-	23,210
	<u>898,950</u>	<u>309,845</u>	<u>(5,500)</u>	<u>1,203,295</u>
Net assets released from restriction				
Satisfaction of program restriction	91,434	-	-	91,434
Satisfaction of time restriction	31,332	-	-	31,332
	<u>1,021,716</u>	<u>309,845</u>	<u>(5,500)</u>	<u>1,326,061</u>
EXPENSES				
Program services	725,791	343,896	(5,500)	1,064,187
Management and general	172,361	-	-	172,361
Fundraising	118,566	-	-	118,566
	<u>1,016,718</u>	<u>343,896</u>	<u>(5,500)</u>	<u>1,355,114</u>
CHANGE IN UNREST. NET ASSETS	<u>4,998</u>	<u>(34,051)</u>	<u>-</u>	<u>(29,053)</u>
TEMPORARILY REST. NET ASSETS				
Capital campaign contribs. and grants	559,634	-	-	559,634
Contributions and grants	42,310	-	-	42,310
Net assets released from restriction	(122,766)	-	-	(122,766)
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	<u>479,178</u>	<u>-</u>	<u>-</u>	<u>479,178</u>
CHANGE IN NET ASSETS	484,176	(34,051)	-	450,125
NET ASSETS				
Beginning of the year	<u>1,263,666</u>	<u>88,920</u>	<u>-</u>	<u>1,352,586</u>
End of the year	<u>\$ 1,747,842</u>	<u>\$ 54,869</u>	<u>\$ -</u>	<u>\$ 1,802,711</u>

See accompanying notes and independent accountants' review report.