



**ABBATE DEMARINIS, LLP**  
Certified Public Accountants & Consultants

**ST. MICHAEL'S HOME, INC.**  
(A Not-For-Profit Corporation)

**FINANCIAL STATEMENTS**

**As of and for the Years Ended  
December 31, 2017 and 2016**

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

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*Independent Auditors' Report*

The Board of Trustees of St. Michael's Home, Inc.

**Report on the Financial Statements**

We have audited the accompanying financial statements of St. Michael's Home, Inc., which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and changes in net assets, 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 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Michael's Home, Inc., as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CERTIFIED PUBLIC ACCOUNTANTS

November 13, 2018

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**STATEMENTS OF FINANCIAL POSITION**

**December 31, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 13,164	\$ 39,482
Accounts Receivable	21,073	15,735
Other Receivable	250,000	-
Prepaid Expenses and Other Current Assets	66,344	71,500
Mortgage Escrows	<u>80,947</u>	<u>85,914</u>
<b>TOTAL CURRENT ASSETS</b>	<u>431,528</u>	<u>212,631</u>
<b>PROPERTY AND EQUIPMENT - NET (Note 3)</b>	11,040,240	9,231,289
<b>OTHER ASSETS</b>		
Beneficial Interest in Split-Interest Agreements (Note 4)	600,124	554,763
Assets Whose Use is Limited (Note 5)	<u>4,168,317</u>	<u>990,267</u>
<b>TOTAL OTHER ASSETS</b>	<u>4,768,441</u>	<u>1,545,030</u>
<b>TOTAL ASSETS</b>	<u>\$ 16,240,209</u>	<u>\$ 10,988,950</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 1,399,484	\$ 82,781
Accrued Expenses	78,980	70,530
Mortgage Payable - Current Portion (Note 6)	<u>51,777</u>	<u>49,595</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>1,530,241</u>	<u>202,906</u>
<b>MORTGAGE PAYABLE LESS CURRENT PORTION (Note 6)</b>	<u>1,746,679</u>	<u>1,790,778</u>
<b>TOTAL LIABILITIES</b>	<u>3,276,920</u>	<u>1,993,684</u>
<b>COMMITMENTS AND CONTINGENCIES (Note 9)</b>		
<b>NET ASSETS</b>		
Unrestricted	8,327,269	7,446,202
Temporarily Restricted (Note 7)	4,259,792	1,199,057
Permanently Restricted (Note 8)	<u>376,228</u>	<u>350,007</u>
<b>TOTAL NET ASSETS</b>	<u>12,963,289</u>	<u>8,995,266</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 16,240,209</u>	<u>\$ 10,988,950</u>

The accompanying notes are an integral part of these financial statements.

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

**For the Year Ended December 31, 2017**

	<u>2017</u>			<u>Total</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	
<b>Operating</b>				
<b>Revenues - Resident Fees</b>	\$ 1,255,305	\$ -	\$ -	\$ 1,255,305
<b>Expenses (Schedule I)</b>				
Care of Residents	1,390,125	-	-	1,390,125
Administrative Expenses	599,653	-	-	599,653
<b>Total Expenses</b>	<u>1,989,778</u>	<u>-</u>	<u>-</u>	<u>1,989,778</u>
<b>Net Operating Loss Before Non Operating Support</b>	<u>(734,473)</u>	<u>-</u>	<u>-</u>	<u>(734,473)</u>
<b>Non Operating Support</b>				
Contributions and Pledges	4,380,630	-	-	4,380,630
Bequests and Memorials	45,383	-	-	45,383
Holiday Appeals	96,894	-	-	96,894
Chapel Income	6,129	-	-	6,129
Dinner Dance Event - Net (Schedule II)	117,102	-	-	117,102
Investment Income	5,923	-	-	5,923
Pledges – Club 1000	3,000	-	-	3,000
Gain on Beneficial Interest in Split-interest Agreements	-	36,140	9,221	45,361
Other Income	2,074	-	-	2,074
<b>Total Non Operating Support</b>	<u>4,657,135</u>	<u>36,140</u>	<u>9,221</u>	<u>4,702,496</u>
<b>Increase in Net Assets</b>	3,922,662	36,140	9,221	3,968,023
<b>Net Assets - Beginning of Year</b>	7,446,202	1,199,057	350,007	8,995,266
Adjustments to Re-allocate Unrestricted Assets to Restricted	<u>(3,041,595)</u>	<u>3,024,595</u>	<u>17,000</u>	<u>-</u>
<b>Net Assets - End of Year</b>	<u>\$ 8,327,269</u>	<u>\$ 4,259,792</u>	<u>\$ 376,228</u>	<u>\$ 12,963,289</u>

The accompanying notes are an integral part of these financial statements.

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

**For the Year Ended December 31, 2016**

	<u>2016</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>Operating</b>				
<b>Revenues - Resident Fees</b>	\$ 1,163,695	\$ -	\$ -	\$ 1,163,695
<b>Expenses (Schedule I)</b>				
Care of Residents	1,338,006	-	-	1,338,006
Administrative Expenses	636,434	-	-	636,434
<b>Total Expenses</b>	1,974,440	-	-	1,974,440
<b>Net Operating Loss Before Non Operating Support</b>	(810,745)	-	-	(810,745)
<b>Non Operating Support</b>				
Contributions and Pledges	796,913	-	-	796,913
Bequests and Memorials	71,880	-	-	71,880
Holiday Appeals	81,875	-	-	81,875
Chapel Income	3,888	-	-	3,888
Dinner Dance Event - Net (Schedule II)	164,038	-	-	164,038
Investment Income	466	-	-	466
Pledges – Club 1000	3,000	-	-	3,000
(Loss) Gain on Beneficial Interest in Split-interest Agreements	-	(3,317)	394	(2,923)
Other Expense	(381)	-	-	(381)
<b>Total Non Operating Support</b>	1,121,679	(3,317)	394	1,118,756
<b>Increase (Decrease) in Net Assets</b>	310,934	(3,317)	394	308,011
<b>Net Assets - Beginning of Year</b>	7,398,705	955,937	332,613	8,687,255
Adjustments to Re-allocate Unrestricted Assets to Restricted	(263,437)	246,437	17,000	-
<b>Net Assets - End of Year</b>	<u>\$ 7,446,202</u>	<u>\$ 1,199,057</u>	<u>\$ 350,007</u>	<u>\$ 8,995,266</u>

The accompanying notes are an integral part of these financial statements.

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**STATEMENTS OF CASH FLOWS**

**For the Years Ended December 31, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in Net Assets	\$ 3,968,023	\$ 308,011
<b>Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities</b>		
Amortization	7,923	7,923
Depreciation	180,369	185,274
(Gain) Loss on Beneficial Interest in Split-interest Agreements	(45,361)	2,923
<b>(Increase) Decrease in Assets</b>		
Accounts Receivable	(5,338)	(9,663)
Other Receivable	(250,000)	-
Prepaid Expenses and Other Current Assets	5,156	1,556
Mortgage Escrows	4,967	(48,000)
<b>Increase (Decrease) in Liabilities</b>		
Accounts Payable	1,316,703	(14,518)
Accrued Expenses	8,450	11,354
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>5,190,892</u>	<u>444,860</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(1,989,320)	(107,280)
Increase in Assets Whose Use is Limited	(3,178,050)	(601,080)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<u>(5,167,370)</u>	<u>(708,360)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on Mortgage Payable	(49,840)	(47,516)
<b>NET CASH USED BY FINANCING ACTIVITIES</b>	<u>(49,840)</u>	<u>(47,516)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(26,318)	(311,016)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>39,482</u>	<u>350,498</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 13,164</u>	<u>\$ 39,482</u>

The accompanying notes are an integral part of these financial statements.

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**

**As of and for the Years Ended December 31, 2017 and 2016**

- (1) **Nature of Operations** - St. Michael's Home, Inc. (the "Home") is a not-for-profit corporation dedicated to the purpose of providing living facilities and services for the aged.
- (2) **Summary of Significant Accounting Policies** - The significant accounting policies followed by the Home is summarized below:

**Basis of Accounting** - The Home utilizes the accrual basis of accounting and report accordingly.

**Use of Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

**Reclassifications** - Certain amounts in the prior year presented have been reclassified to conform to the current period financial statement presentation. These reclassifications have no effect on previously reported net income

**Cash and Cash Equivalents** - The Home considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents

**Net Resident Service Revenues** - Net resident service revenues are recorded at the standard private pay rates and written down via contractual allowances to arrive at the expected net realizable amounts from residents, third-party payors, and others for room and board services provided.

The Home has agreements with third-party payors that provide payments to the Home at amounts different from its standard rates. Services provided to Medicare beneficiaries are paid under terms of a prospective payment system at predetermined rates based on clinical, diagnostic, and other factors. Services provided to Medicaid beneficiaries are paid at prospectively determined rates per day. These rates vary per a resident classification system that is based on clinical, diagnostic, and other factors, and the reimbursement methodology is subject to various limitations and prospective and retroactive adjustments. The Home is exposed to the risk of changes in Medicare and Medicaid revenues as they are subject to audit by the third-party payors and retroactive adjustment. Provisions for estimated retroactive adjustments both positive and negative has been made in the financial statements if they can be reasonably estimated.

Differences between the estimated amounts accrued and subsequent settlements are reflected during the year of settlement, in the statement of operations as adjustments to net patient service revenues. Medicaid cost reports, which serve as the basis for final settlement, remain open for audit and settlement.

**Receivables and Bad Debts** - Accounts receivable represents net realizable amounts due from private and third-party payors for amounts billed to residents for services provided. Accounts receivable are stated at the amount the Home expects to collect. The Home provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. The Home's estimate is based on historical collection experience and a review of the status of resident accounts receivable. It is reasonably possible that the Home's estimate of the allowance for doubtful accounts will change. The allowance for doubtful accounts was \$0 as of December 31, 2017 and 2016, respectively.



**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**

**As of and for the Years Ended December 31, 2017 and 2016**

**(2) Summary of Significant Accounting Policies (continued)**

**Investments** - Investments are stated at fair value based upon quoted market prices (level 1), if available. Investment income is recognized when earned and is reported as an increase in unrestricted, temporarily restricted, or permanently restricted net assets. Gains and losses, both realized and unrealized are reported in the statement of activities as changes in unrestricted net assets unless their use is restricted, temporarily or permanently, by donor or law. Realized and unrealized losses on investments may be netted against realized and unrealized gains. Contributed investments are valued at their fair market value on the date received.

**Property and Equipment** – Property and equipment is recorded at cost and includes expenditures for additions and improvements that extend the useful lives of the building and equipment. Expenditures for maintenance and repairs are charged to expense as incurred. Upon retirement or disposal, the related costs and accumulated depreciation are reduced by the carrying amounts. Gains or losses on these transactions are included in income or expense as incurred. Property and equipment are depreciated using the straight-line method over their estimated useful lives.

**Deferred Financing Fees** – Deferred financing fees are recorded at cost and is comprised of all mortgage related closing costs. Deferred financing fees are amortized using the straight-line method over the life of the mortgage. Deferred financing fees are presented in the balance sheet as a reduction of long-term debt.

**Long-Lived Assets** – Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset not be recoverable. If the sum of the future cash flows (undiscounted and without interest charges) expected to result from the use of the intangible asset and its eventual disposition is less than the carrying amount of the asset, an impairment loss is recognized to the extent the carrying amount of the asset exceeds its fair value.

**Net Assets** - Net assets of the Home consist of the following:

*Unrestricted* - These net assets are those that have no restrictions and are available for general obligations of the Home.

*Temporarily Restricted* - These net assets are restricted by donors to be used for some specific purpose.

*Permanently Restricted* - These net assets are permanently restricted by donors and cannot be used by the Home. Income and capital gains may or may not be used depending on the donor/endowment agreement.

**Contributions and Pledges** - Contributions and pledges are recorded as revenue when either unsolicited cash is received or the year in which the donors promise to give becomes due and collectible. Contributions and pledges are classified as either, unrestricted, temporarily restricted or permanently restricted revenue based upon donor-imposed restrictions. Pledges are recognized in the year in which they become due and collectible.

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**

**As of and for the Years Ended December 31, 2017 and 2016**

**(2) Summary of Significant Accounting Policies (continued)**

**Fair Value of Instruments** – The fair value of current assets and liabilities approximate carrying value because of the short-term nature of these items. The recorded value of the credit line approximates its fair value, as interest approximates market rates.

**Federal Income Taxes** - The Home is a Not-For-Profit Organization as described in Section 501 (c) (3) of the Internal Revenue Code (“IRC”) and is exempt from Federal income taxes pursuant to Section 501(a) of the IRC.

**(3) Property and Equipment** – Property and Equipment consists of the following as of December 31:

	<u>2017</u>	<u>2016</u>
Uniondale Land	\$ 3,361,972	\$3,361,972
Land, Buildings, and Improvements	4,742,195	4,742,195
Furniture and Equipment	673,099	673,099
Construction in Progress:		
Uniondale Building	4,116,008	4,116,008
Uniondale Startup Costs	<u>2,360,407</u>	<u>371,086</u>
Total at Cost	15,253,681	13,264,360
Less: Accumulated Depreciation	<u>(4,213,441)</u>	<u>(4,033,071)</u>
Property and Equipment - Net	<u>\$ 11,040,240</u>	<u>\$ 9,231,289</u>

Depreciation for the years ended December 31, 2017 and 2016 was \$180,369 and \$185,274, respectively.

**(4) Beneficial Interest in Split-Interest Agreements** - The Home is a beneficiary of two charitable gift annuity agreements whereby the donors contributed assets to a third-party trustee and the income in certain instances is paid to beneficiaries over a specified period of time, or the beneficiaries received special distributions. In addition, certain trusts have a required minimum distribution to both the Home and others. Both trust agreements provide that a portion of the trust assets becomes available to the Home after a specified period of time. The Home values such trusts at their fair market value. It is at least reasonably possible that such values could change in the future based upon market fluctuations.

The beneficial interest in split-interest agreements consists of the following as of December 31:

	<u>2017</u>	<u>2016</u>
Katherine Malta Trust – 50% Interest	\$ 512,896	\$ 476,756
Petsas Trust – 11.11% Interest	<u>87,228</u>	<u>78,007</u>
	<u>\$ 600,124</u>	<u>\$ 554,763</u>

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**

**As of and for the Years Ended December 31, 2017 and 2016**

- (5) **Assets Whose Use is Limited** – Assets Whose Use is Limited consists of the following as of December 31:

	<u>2017</u>	<u>2016</u>
Alma Bank Expansion Fund	\$ 2,480,302	\$ 59,899
Restricted Endowment Fund	477,369	267,964
Restricted Expansion Fund	<u>1,210,646</u>	<u>662,404</u>
	<u>\$ 4,168,317</u>	<u>\$ 990,267</u>

- (6) **Mortgage Payable** – On November 18, 2014, the Home obtained a mortgage from Alma Bank for the purchase of the Uniondale property with a principal of \$2,000,000. The mortgage is payable in 119 fixed monthly payments currently at \$10,904 (principal and interest inclusive) based upon a 25-year amortization period with a balloon payment at maturity. The initial interest rate is fixed at 4.25% for the first five years after which the rate will adjust to the five-year federal home loan bank rate plus a margin of 2.25% for the next five years. The Uniondale land and building are pledged as collateral on the mortgage. Capitalized interest for the years ended December 31, 2017 and 2016 was \$81,011 and \$83,336, respectively, and is included in property and equipment on the balance sheet as the building is not in service as of December 31, 2017 and 2016.

In connection with the mortgage, the Company incurred financing costs of \$79,230 which are being amortized over the life of the mortgage. Amortization of unamortized debt issue costs for the years ended December 31, 2017 and 2016 was \$7,923. Estimated amortization for each of the five succeeding years is \$7,923.

Mortgage payable consists of the following as of December 31:

	<u>2017</u>	<u>2016</u>
Mortgage Payable	\$ 1,852,927	\$ 1,902,767
Less: Unamortized Debt Issue Costs	<u>(54,471)</u>	<u>(62,394)</u>
Total Mortgage Payable Less Unamortized Debt Issue Costs	1,798,456	1,840,373
Less: Current Maturities	<u>(51,777)</u>	<u>(49,595)</u>
Mortgage Payable - Long-term	<u>\$ 1,746,679</u>	<u>\$ 1,790,778</u>

Future maturities of the Mortgage Payable are as follows:

2018	\$ 51,777
2019	54,054
2020	56,431
2021	58,913
2022	61,504
Thereafter	<u>1,570,248</u>
	<u>\$ 1,852,927</u>

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**

**As of and for the Years Ended December 31, 2017 and 2016**

- (7) **Temporarily Restricted Net Assets** - The Home's temporarily restricted net assets consist of the following as of December 31:

	<u>2017</u>	<u>2016</u>
St. Michael's Home Expansion Fund	\$3,746,896	\$ 722,301
Beneficial Interest in Katherine Malta Trust	<u>512,896</u>	<u>476,756</u>
	<u>\$4,259,792</u>	<u>\$1,199,057</u>

- (8) **Permanently Restricted Net Assets** – Donor restricted contributions held in perpetuity, the income of which is expendable for the general operations of the Home, consists of the following as of December 31:

	<u>2017</u>	<u>2016</u>
St. Michael's Home Restricted Endowment Fund	\$ 100,000	\$ 100,000
Constance and Pauline Albanidis Memorial Fund	144,000	137,000
Basil and Olga Gabriel Memorial Fund	45,000	35,000
Beneficial Interest in Petsas Trust	<u>87,228</u>	<u>78,007</u>
	<u>\$ 376,228</u>	<u>\$ 350,007</u>

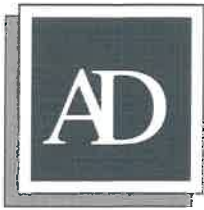
- (9) **Commitments and Contingencies**

**Litigation** – From time to time, the Home may be subject to legal proceedings arising out of the ordinary course of business. Although management cannot predict the outcome of such proceedings, management does not consider such proceedings to result in a material adverse effect on its financial position or its results of operations or its cash flows.

- (10) **Concentration of Credit Risk** – For the years ended December 31, 2017 and 2016, the Center had cash balances in major financial institutions which at times may have exceeded Federal Depository Insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these deposits is minimal.

- (11) **Subsequent Events** – Management of the Home has evaluated subsequent events through November 13, 2018, the date the financial statements were available to be issued. No significant events have been identified that would require adjustment to or disclosure in the accompanying financial statements.

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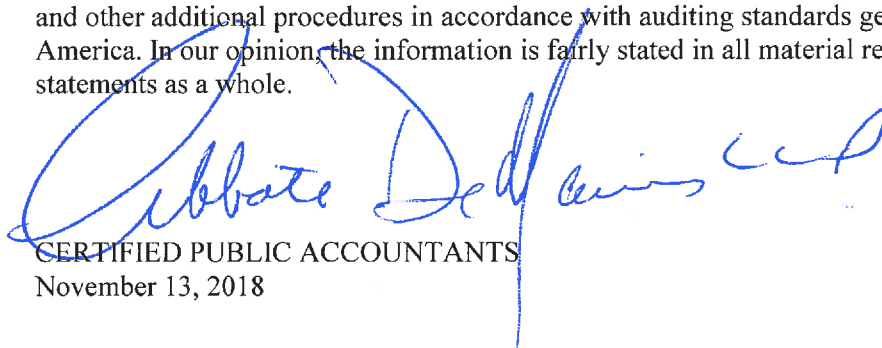
**ABBATE DEMARINIS, LLP**  
Certified Public Accountants & Consultants

*Independent Auditors' Report on Supplementary Information*

The Board of Trustees of St. Michael's Home, Inc.

We have audited the financial statements of St. Michael's Home, Inc. as of and for the years ended December 31, 2017 and 2016, and have issued our report thereon dated November 13, 2018, which contained an unqualified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole.

The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CERTIFIED PUBLIC ACCOUNTANTS  
November 13, 2018

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**SUPPLEMENTARY INFORMATION - STATEMENTS OF ACTIVITIES**

**For the Years Ended December 31, 2017 and 2016**

**Schedule I - Schedule of Selected Expenses**

	<u>2017</u>	<u>2016</u>
<b>Care of Residents Expenses</b>		
Salaries	\$ 656,003	\$ 614,230
Employee Benefits	94,212	87,003
Payroll Taxes	55,004	50,241
Amortization Expense	7,131	7,131
Automobile Expense	2,348	2,573
Cleaning Service	3,970	4,025
Depreciation Expense	162,332	166,747
Food	164,324	153,399
Household Supplies	5,308	2,574
Insurance	83,278	97,120
Outside Services	9,097	7,834
Repairs and Maintenance	69,038	69,136
Resident Activities	9,550	6,441
Utilities	<u>68,530</u>	<u>69,552</u>
<b>Total Care of Residents Expenses</b>	<b><u>\$ 1,390,125</u></b>	<b><u>\$ 1,338,006</u></b>
<b>General and Administrative Expenses</b>		
Salaries	\$ 356,137	\$ 361,851
Employee Benefits	51,154	51,250
Payroll Taxes	29,865	29,595
Advertising	6,091	5,961
Amortization Expense	792	792
Bank Charges	1,007	718
Christmas Expense	2,126	1,915
Depreciation Expense	18,037	18,527
Equipment Rental	4,241	4,004
Household Supplies	590	286
Insurance	9,253	10,791
Office Expenses	15,374	18,733
Other	35,625	62,780
Payroll Services	7,449	7,436
Postage and Delivery	7,826	6,167
Professional Fees	26,227	27,546
Real Estate Taxes	3,583	3,607
Repairs and Maintenance	12,183	12,201
Utilities	<u>12,093</u>	<u>12,274</u>
<b>Total General and Administrative Expenses</b>	<b><u>\$ 599,653</u></b>	<b><u>\$ 636,434</u></b>

See Independent Auditors' Report on Supplementary Information

**ST. MICHAEL'S HOME, INC.**  
**(A Not-For-Profit Corporation)**

**SUPPLEMENTARY INFORMATION - STATEMENTS OF ACTIVITIES**

**For the Years Ended December 31, 2017 and 2016**

**Schedule II - Schedule of Selected Non Operating Support**

	<u>2017</u>	<u>2016</u>
<b>Annual Dinner Dance Event</b>		
<b>Dinner Dance Income</b>		
Journals	\$ 70,520	\$ 100,973
Raffles	23,795	23,010
Ticket Sales	43,725	53,934
Dinner Dance Donations	<u>46,325</u>	<u>70,500</u>
<b>Total Dinner Dance Income</b>	<u>184,365</u>	<u>248,417</u>
<b>Dinner Dance Expenses</b>		
Advertising	768	8,365
Printing	10,813	13,278
Raffle and Awards	7,772	8,750
Hotel Rental	41,650	49,312
Miscellaneous	<u>6,260</u>	<u>4,674</u>
<b>Total Dinner Dance Expenses</b>	<u>67,263</u>	<u>84,379</u>
<b>Net Profit</b>	<u>\$ 117,102</u>	<u>\$ 164,038</u>