

**CHILDREN'S HOME SOCIETY OF MINNESOTA
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017 AND 2016**

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 111,581	\$ 164,493
Accounts Receivable, Net	489,062	427,857
Prepaid Expenses and Other	286,663	411,161
Total Current Assets	887,306	1,003,511
PROPERTY AND EQUIPMENT, NET		
Property and Equipment	10,548,863	10,345,102
Less: Accumulated Depreciation	(4,252,399)	(4,055,914)
Total Property and Equipment, Net	6,296,464	6,289,188
OTHER ASSETS		
Investments	7,433,833	6,758,823
Contributions Receivable Under Split-Interest Agreements	40,844	37,617
Investments Held for Trust	142,022	142,927
Beneficiary Interest in Perpetual Trust	1,689,208	1,558,292
Total Other Assets	9,305,907	8,497,659
Total Assets	\$ 16,489,677	\$ 15,790,358
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Other Accrued Liabilities	\$ 13,951	\$ 81,732
Deferred Revenue	143,020	181,093
International Program Liability	399,126	399,494
Refundable Fees and Deposits	301,875	262,075
Accrued Compensation	351,722	357,578
Total Current Liabilities	1,209,694	1,281,972
NONCURRENT LIABILITIES		
Accounts Payable to LSS under Management Agreement	1,461,335	1,515,802
Liability Under Trust and Annuity Agreements	33,542	47,110
Postretirement Benefits Obligation	142,612	166,915
Total Noncurrent Liabilities	1,637,489	1,729,827
Total Liabilities	2,847,183	3,011,799
NET ASSETS		
Unrestricted Net Assets (Deficit)	(918,402)	(1,265,143)
Temporarily Restricted Net Assets	6,293,291	5,966,812
Permanently Restricted Net Assets	8,267,605	8,076,890
Total Net Assets	13,642,494	12,778,559
Total Liabilities and Net Assets	\$ 16,489,677	\$ 15,790,358

See accompanying Notes to Financial Statements.

**CHILDREN'S HOME SOCIETY OF MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE				
Support:				
United Way	\$ 81,433	\$ -	\$ -	\$ 81,433
Contributions	1,238,478	129,091	30,500	1,398,069
Change in Value of Split-Interest Agreements	-	3,227	-	3,227
Change in Value of Investments Held for Trust	3,562	16,103	-	19,665
Change in Value of Beneficial Interest Holdings	-	-	130,916	130,916
Investment Income (Loss)	<u>(5,163)</u>	<u>702,526</u>	<u>29,299</u>	<u>726,662</u>
Total Support	1,318,310	850,947	190,715	2,359,972
Revenue:				
Fees for Services	34,310	-	-	34,310
Fees and Grants from Governmental Agencies	1,195,211	-	-	1,195,211
International Adoption Fees	1,561,321	-	-	1,561,321
Rent and Miscellaneous Income	<u>251,968</u>	<u>-</u>	<u>-</u>	<u>251,968</u>
Total Revenue	3,042,810	-	-	3,042,810
Net Assets Released from Restrictions	<u>524,468</u>	<u>(524,468)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	4,885,588	326,479	190,715	5,402,782
EXPENSE				
Program Services	3,406,724	-	-	3,406,724
Support Services:				
Finance and Administration	816,171	-	-	816,171
Development and Community Relations	<u>315,952</u>	<u>-</u>	<u>-</u>	<u>315,952</u>
Total Support Services	1,132,123	-	-	1,132,123
Total Expense	<u>4,538,847</u>	<u>-</u>	<u>-</u>	<u>4,538,847</u>
CHANGES IN NET ASSETS BEFORE NONOPERATING ACTIVITIES	346,741	326,479	190,715	863,935
Pass-Through Revenues	513,463	-	-	513,463
Pass-Through Expenses	<u>(513,463)</u>	<u>-</u>	<u>-</u>	<u>(513,463)</u>
CHANGE IN NET ASSETS	346,741	326,479	190,715	863,935
Net Assets (Deficit) - Beginning of Year	<u>(1,265,143)</u>	<u>5,966,812</u>	<u>8,076,890</u>	<u>12,778,559</u>
NET ASSETS (DEFICIT) - END OF YEAR	<u>\$ (918,402)</u>	<u>\$ 6,293,291</u>	<u>\$ 8,267,605</u>	<u>\$ 13,642,494</u>

See accompanying Notes to Financial Statements.

**CHILDREN'S HOME SOCIETY OF MINNESOTA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2017**

	Supporting Services				Total All Services
	Program Services	General and Administration	Advancement	Total Support Services	
Salaries	\$ 1,418,217	\$ 229,840	\$ 106,850	\$ 336,690	\$ 1,754,907
Employee Benefits and Payroll Taxes	814,749	134,122	59,653	193,775	1,008,524
Total Personnel Costs	<u>2,232,966</u>	<u>363,962</u>	<u>166,503</u>	<u>530,465</u>	<u>2,763,431</u>
Professional Fees and Contract Services	135,309	246,543	78,192	324,735	460,044
Supplies	3,205	16,323	23	16,346	19,551
Communications	65,543	(37,796)	63,086	25,290	90,833
Occupancy	246,676	82,804	8,052	90,856	337,532
Equipment	3,638	35,020	96	35,116	38,754
Transportation	58,941	88	-	88	59,029
Staff Development	21,498	3,297	-	3,297	24,795
Client and Volunteer Expenses	502,075	1,282	-	1,282	503,357
Community Support and Other Expenses	52,385	(7,348)	-	(7,348)	45,037
Total Expense Before Depreciation	<u>3,322,236</u>	<u>704,175</u>	<u>315,952</u>	<u>1,020,127</u>	<u>4,342,363</u>
Depreciation	84,488	111,996	-	111,996	196,484
Total Expense	<u>\$ 3,406,724</u>	<u>\$ 816,171</u>	<u>\$ 315,952</u>	<u>\$ 1,132,123</u>	<u>\$ 4,538,847</u>

See accompanying Notes to Financial Statements.

The expenses by major program type for FY17:

\$1,594,771 – International Adoption

\$868,600 – Foster Care Adoption

\$684,567 – Post Adoption