A Safe Haven Foundation
(An Illinois not-for-profit corporation)

Consolidated Financial Statements
and Independent Auditor's Report

June 30, 2019 and 2018

A SAFE HAVEN FOUNDATION
(AN ILLINOIS NOT-FOR-PROFIT CORPORATION)

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INDEPENDENT AUDITOR'S REPORT

Identifying opportunities.
Delivering solutions.

To the Board of Directors of
A Safe Haven Foundation

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of A Safe Haven Foundation which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of A Safe Haven Foundation as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards
In accordance with Government Auditing Standards, we have also issued our report dated December 20, 2019, on our consideration of A Safe Haven Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering A Safe Haven Foundation's internal control over financial reporting and compliance.

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A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2019 AND 2018

ASSETS

	2019	2018
Current Assets		
Cash and cash equivalents	$ 1,476,335	$ 1,541,204
Restricted cash	1,679,269	1,559,904
Accounts receivable-net	1,571,737	2,611,930
Due from related parties	117,510	179,281
Prepaid expenses	326,363	212,947
Total current assets	5,171,214	6,105,266
Property and equipment		
Land	2,991,507	3,008,363
Buildings and improvements	39,888,631	40,266,152
Furniture, fixtures, and equipment	2,400,742	2,483,663
Automobiles	728,220	728,220
Computer software	75,462	75,462
Construction in progress	587,480	189,681
	46,672,042	46,751,541
Less: Accumulated depreciation	(14,689,991)	(13,599,547)
Net property and equipment	31,982,051	33,151,994
Other assets		
Assets available for sale	251,149	-
Deferred rent assets	138,972	172,733
Other assets	127,261	157,261
Lease commissions	100,538	123,745
Less: Accumulated amortization	(81,391)	(69,957)
	536,529	383,782
Investment in partnerships	1,820,484	1,820,534
Total other assets	2,357,013	2,204,316
Total assets	$ 39,510,278	$ 41,461,576

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2019 AND 2018

LIABILITIES AND NET ASSETS

	2019	2018
Current liabilities		
Lines of credit	$ 550,000	$ 2,200,000
Current portion of long-term debt	1,038,140	1,140,741
Current portion of capital leases	39,282	67,776
Accounts payable and accrued expenses	1,288,321	1,204,228
Accrued interest	79,872	67,057
Current portion of deferred grant revenue	70,000	70,000
Deferred revenue	134,725	130,768
Other current liabilities	112,180	132,585
Due to related parties	1,298,986	1,199,315
Total current liabilities	4,611,506	6,212,470
Long-term liabilities		
Long-term debt, net of current portion	15,841,364	16,833,865
Capital leases, net of current portion	43,868	83,149
Interest rate swap	666,255	-
Deferred grant revenue, net of current portion	694,167	764,167
Total long-term liabilities	17,245,654	17,681,181
Total liabilities	21,857,160	23,893,651
Net Assets - Without donor restrictions		
Controlling interest	7,569,664	6,178,183
Noncontrolling interest	9,076,619	9,913,138
Total net assets - without donor restrictions	16,646,283	16,091,321
Net Assets - With donor restrictions		
Controlling interest	1,006,835	1,476,604
Total net assets	17,653,118	17,567,925
Total liabilities and net assets	$ 39,510,278	$ 41,461,576

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2019 AND 2018

	2019			2018		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	**Without Donor Restrictions**	**With Donor Restrictions**	**Total**
Revenue and support						
Service contracts	$ 4,944,386	$ -	$ 4,944,386	$ 5,440,183	$ -	$ 5,440,183
Social enterprise revenue	5,506,339	-	5,506,339	5,910,926	-	5,910,926
Rental income	3,735,210	-	3,735,210	3,681,118	-	3,681,118
Tax incremental fund revenue	755,634	-	755,634	755,634	-	755,634
Contributions	4,040,050	426,850	4,466,900	3,774,809	726,604	4,501,413
Other revenue	289,217	-	289,217	216,599	-	216,599
Net assets released from restrictions	896,619	(896,619)	-	-	-	-
Total support and revenue	20,167,455	(469,769)	19,697,686	19,779,269	726,604	20,505,873
Operating expenses						
Program services	18,523,416	-	18,523,416	19,696,852	-	19,696,852
Management and general	2,376,010	-	2,376,010	841,249	-	841,249
Fundraising	462,347	-	462,347	546,078	-	546,078
Total operating expenses	21,361,773	-	21,361,773	21,084,179	-	21,084,179
Nonoperating activities						
Gain on disposal of assets	-	-	-	623,883	-	623,883
Gain from debt forgiveness	2,440,694	-	2,440,694	-	-	-
Change in fair value of interest rate swap	(666,255)	-	(666,255)	-	-	-
Total nonoperating activities	1,774,439	-	1,774,439	623,883	-	623,883
Change in net assets before noncontrolling interest	580,121	(469,769)	110,352	(681,027)	726,604	45,577
Change in net assets attributable to noncontrolling interest	764,070	-	764,070	1,151,524	-	1,151,524
Change in net assets attributable to controlling interest	1,344,191	(469,769)	874,422	470,497	726,604	1,197,101
Controlling interest net assets - Beginning of year	6,178,183	1,476,604	7,654,787	5,761,013	750,000	6,511,013
Distributions	(111)	-	(111)	(53,327)	-	(53,327)
Contributions	47,401	-	47,401	-	-	-
Controlling interest net assets - End of year	$ 7,569,664	$ 1,006,835	$ 8,576,499	$ 6,178,183	$ 1,476,604	$ 7,654,787
Noncontrolling interest net assets - Beginning of year	$ 9,913,138	$ -	$ 9,913,138	$ 8,164,662	$ -	$ 8,164,662
Distributions	(73,949)	-	(73,949)	-	-	-
Contributions	1,500	-	1,500	2,900,000	-	2,900,000
Change in net assets attributable to noncontrolling interest	(764,070)	-	(764,070)	(1,151,524)	-	(1,151,524)
Noncontrolling interest net assets - End of year	$ 9,076,619	$ -	$ 9,076,619	$ 9,913,138	$ -	$ 9,913,138
Total net assets - End of year	$ 16,646,283	$ 1,006,835	$ 17,653,118	$ 16,091,321	$ 1,476,604	$ 17,567,925

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2019 AND 2018

	2019							
	Program Expenses							
	Health Initiatives	Education	Residential	Social Enterprise	Supportive Services	Workforce Development	Real Estate Operations	Total
Salaries and related expenses	$ -	$ 361,997	$ 1,519,751	$ 3,933,393	$ 645,581	$ 776,704	$ 356,824	$ 7,594,250
Interest	-	-	31,969	38,189	-	265	221,290	291,713
Program food clothing and personal maintenance	-	26,028	1,929,369	29,945	2,528,493	267,906	20,248	4,801,989
Utilities, supplies and maintenance	-	7,818	859,646	651,685	10,207	15,827	745,948	2,291,131
General insurance	-	3,495	62,455	65,558	877	9,624	69,216	211,225
Professional fees / contract services	-	43,572	344,727	304,564	144,087	144,194	328,416	1,309,560
Office expenses	-	1,890	39,180	11,230	45,789	35,095	13,090	146,274
Miscellaneous	-	2,118	137,517	67,620	19,064	962	334,558	561,839
Catering and event planning	-	-	-	-	-	-	-	-
Telephone	-	-	2,929	12,275	4,797	3,339	27,151	50,491
Postage/printing	-	125	370	441	407	2,213	1,032	4,588
Transportation and travel	-	1,022	20,259	161,051	11,270	12,772	984	207,358
Total expenses before depreciation and amortization	-	448,065	4,948,172	5,275,951	3,410,572	1,268,901	2,118,757	17,470,418
Depreciation	713	-	8,833	82,413	-	3,189	901,459	996,607
Amortization	-	-	259	-	-	-	56,132	56,391
	$ 713	$ 448,065	$ 4,957,264	$ 5,358,364	$ 3,410,572	$ 1,272,090	$ 3,076,348	$ 18,523,416

The accompanying notes are an integral part of these statements.

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2019 AND 2018

	2019			
	Management Expenses			
	Management and General	Fundraising	Total	Total
Salaries and related expenses	$ 1,012,702	$ 200,536	$ 1,213,238	$ 8,807,488
Interest	399,602	-	399,602	691,315
Program food clothing and personal maintenance	-	-	-	4,801,989
Utilities, supplies and maintenance	4,949	-	4,949	2,296,080
General insurance	26,297	-	26,297	237,522
Professional fees / contract services	283,721	70,334	354,055	1,663,615
Office expenses	123,109	71,871	194,980	341,254
Miscellaneous	89,454	592	90,046	651,885
Catering and event planning	-	97,019	97,019	97,019
Telephone	1,054	1,408	2,462	52,953
Postage/printing	12,712	13,377	26,089	30,677
Transportation and travel	4,878	7,210	12,088	219,446
Total expenses before depreciation and amortization	1,958,478	462,347	2,420,825	19,891,243
Depreciation	344,939	-	344,939	1,341,546
Amortization	72,593	-	72,593	128,984
	$ 2,376,010	$ 462,347	$ 2,838,357	$ 21,361,773

The accompanying notes are an integral part of these statements.

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2019 AND 2018

	2018							
	Program Expenses							
	Health Initiatives	Education	Residential	Social Enterprise	Supportive Services	Workforce Development	Real Estate Operations	Total
Salaries and related expenses	$ 10,215	$ 157,790	$ 2,177,173	$ 4,579,623	$ 468,950	$ 668,460	$ 293,430	$ 8,355,641
Interest	-	-	388,125	64,065	-	675	237,301	690,166
Program food clothing and personal maintenance	-	33,854	1,560,198	202,776	1,668,167	361,091	3,967	3,830,053
Utilities, supplies and maintenance	-	17,241	858,102	622,481	15,812	23,817	529,692	2,067,145
General insurance	-	4,230	70,156	59,963	705	9,000	75,449	219,503
Professional fees / contract services	1,874	67,755	335,434	283,363	120,192	169,197	214,182	1,191,997
Office expenses	205	5,153	40,475	12,341	45,496	76,218	23,268	203,156
Miscellaneous	-	-	212,233	157,001	9,515	-	302,552	681,301
Catering and event planning	-	-	-	-	-	-	-	-
Telephone	-	1,158	24,998	2,668	5,473	-	26,778	61,075
Postage/printing	-	-	51	1,025	138	2,009	1,092	4,315
Transportation and travel	-	2,558	17,853	160,946	9,462	19,121	508	210,448
Total expenses before depreciation and amortization	12,294	289,739	5,684,798	6,146,252	2,343,910	1,329,588	1,708,219	17,514,800
Depreciation	713	1,057	391,268	120,858	-	3,189	1,566,202	2,083,287
Amortization	-	-	58,349	-	-	-	40,416	98,765
	$ 13,007	$ 290,796	$ 6,134,415	$ 6,267,110	$ 2,343,910	$ 1,332,777	$ 3,314,837	$ 19,696,852

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2019 AND 2018

	2018			
	Management Expenses			
	Management and General	Fundraising	Total	Total
Salaries and related expenses	$ 389,760	$ 166,922	$ 556,682	$ 8,912,323
Interest	71,089	-	71,089	761,255
Program food clothing and personal maintenance	480	-	480	3,830,533
Utilities, supplies and maintenance	9,606	2,764	12,370	2,079,515
General insurance	29,663	-	29,663	249,166
Professional fees / contract services	176,567	149,776	326,343	1,518,340
Office expenses	105,790	47,040	152,830	355,986
Miscellaneous	12,145	5,112	17,257	698,558
Catering and event planning	-	150,053	150,053	150,053
Telephone	86	-	86	61,161
Postage/printing	16,508	9,565	26,073	30,388
Transportation and travel	25,082	14,846	39,928	250,376
Total expenses before depreciation and amortization	836,776	546,078	1,382,854	18,897,654
Depreciation	4,473	-	4,473	2,087,760
Amortization	-	-	-	98,765
	$ 841,249	$ 546,078	$ 1,387,327	$ 21,084,179

The accompanying notes are an integral part of these statements.

A SAFE HAVEN FOUNDATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
Cash flows from operating activities		
Change in net assets attributable to controlling interest	$ 874,422	$ 1,197,101
Adjustments to reconcile change in net assets attributable to controlling interest to net cash provided by operating activities		
Change in net assets attributable to noncontrolling interest	(764,070)	(1,151,524)
Income (loss) from investment in partnerships	50	123
Change in fair value of interest rate swaps	666,255	-
Gain from debt forgiveness	(2,440,694)	-
Gain from disposal of property and equipment	-	(623,883)
Non-cash contribution revenue	47,401	-
Non-cash distributions	(111)	(53,327)
Depreciation and amortization	1,470,530	2,186,525
Change in allowance for doubtful accounts	(81,364)	51,396
Changes in operating assets and liabilities:		
Accounts receivable	1,121,557	(600,644)
Prepaid expenses	(113,416)	(66,593)
Assets available for sale	(251,149)	-
Deferred rent assets	33,761	(41,533)
Other assets	64,641	5,935
Accounts payable and accrued expenses	84,093	177,496
Accrued interest	12,815	31,244
Other liabilities	(20,405)	(172,885)
Deferred revenue	(66,043)	(268,062)
Net cash provided by operating activities	638,273	671,369
Cash flow from investing activities		
Purchases of property and equipment	(171,603)	(701,782)
Proceeds from sales of property and equipment	-	932,256
Net cash provided by (used in) investing activities	(171,603)	230,474
Cash flows from financing activities		
Net change in due to/from related parties	161,442	182,936
Net change in lines of credit	(1,650,000)	222,083
Principal payments on capital leases	(67,775)	(70,753)
Proceeds from long-term debt	2,299,398	309,800
Principal payments on long-term debt	(1,082,790)	(3,608,413)
Contributions	1,500	2,900,000
Distributions	(73,949)	-
Net cash used in financing activities	(412,174)	(64,347)
Net change in cash, cash equivalents, and restricted cash	54,496	837,496
Cash, cash equivalents, and restricted cash - Beginning of year	3,101,108	2,263,612
Cash, cash equivalents, and restricted cash - End of year	$ 3,155,604	$ 3,101,108
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Interest paid by Organization	$ 678,500	$ 730,011

The accompanying notes are an integral part of these statements.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Organization and Program Description

A Safe Haven Foundation ("ASHF") was formed on April 26, 2001 as a not-for-profit corporation under the laws of the State of Illinois to provide job placement, rehabilitation services, and shelter to the people of the City of Chicago ("City") that are in need. In 2012, the Foundation added to its mission other activities to create and promote long-term housing for those in need.

On September 30, 2009, ASHF signed a management agreement with the Chicago Christian Industrial League ("CCIL"), an unrelated party at that time, to act as Manager and to oversee CCIL's programs and facilities. This agreement charged ASHF with the establishment of a long-term strategic plan and efficient operation of CCIL's business plan. On March 24, 2010, ASHF entered into a Strategic Alliance/Transfer Agreement ("Strategic Alliance") with CCIL to provide for an alignment of revenue contracts, oversight of fund raising efforts, oversight of the human resources function, and to work with service providers and other vendor relationships to carry out the strategic joint mission of ASHF and CCIL. Concurrent with the Strategic Alliance, CCIL assigned its interest in the 2750 W Roosevelt Building and related debt, and certain identified homeless service contracts with the City, to ASHF. Accordingly, assets and liabilities of approximately $15,572,000 were transferred and recorded by ASHF based on CCIL's net book value. The Strategic Alliance also provided an option of transferring future responsibility from CCIL to ASHF for any contractual responsibility when it becomes mutually beneficial to both organizations to do so. Additional program and contracts were subsequently transferred to ASHF.

In 2012, ASHF became the single member of an Illinois Limited Liability Company known as KMA Holdings V, LLC ("KMA V"). KMA V is a limited partner in real estate development projects (Note 3) for low income housing where ASHF will provide case management and supportive services to certain residents of the housing development once construction and leasing are complete.

In 2013, two of ASHF's board members became the majority board members for a 501(c)(3) organization known as Harborquest, Inc. Harborquest, Inc. owns a single member L3C known as Civic Staffing ("CS") which provides a temporary employment labor force for clients that are in the need of such low cost alternatives to permanent hiring. Collectively the organizations are referred to as Harborquest ("HQ"). The organizations began working together in a collaborative way to provide employment training services to the current customer base of CS and to fulfill the separate workforce development contracts of ASHF.

In December 2013, ASHF's and CCIL's Boards of Directors approved a transaction that would combine the remaining business interests of CCIL into ASHF. CCIL owns two single member LLCs known as 600 S Wabash Commercial ("Commercial") and 600 S Wabash LLC ("LLC"). The LLC is the .01% general partner of 600 S Wabash LP ("LP'). Commercial owns six spaces of commercial space on the ground floor of the building. The LP owns a 169 unit residential structure which sits on the upper floors of the same building at 600 S Wabash. Under the above mentioned management agreement and a CCIL board resolution, ASHF gained full management control of the CCIL operations.

In 2014, ASHF became the single member of an Illinois Limited Liability Company, KMA Holdings VIII, LLC ("KMA VIII"). The entity was formed with the intent to develop real estate on several parcels of land in Melrose Park, Illinois. In 2016, KMA VIII admitted a minority partner to help with those development efforts. KMA VIII decided to utilize low income housing tax credits and to seek a limited partner to bring significant equity to the project. Therefore, in anticipation of that transaction, it formed a joint venture, Melrose Park Veterans Housing, LP ("MPVH"), which is doing business as A Safe Haven Veterans Village ("ASHVV"). The financing closed on October 21, 2015 with a $2,396,563 initial equity injection by the limited partner, the National Equity Fund ("NEF"), and construction of the project, named A Safe Haven Veteran Village, began in earnest. In July 2016, the construction was completed, and the building began leasing units. Melrose Park was fully leased in May 2017.

In 2017, ASHF became the single member of an Illinois Limited Liability Company, ASH IV, LLC ("ASH IV"). The entity was formed with the intent to renovate real estate in Chicago, Illinois. ASH IV is a minority partner in Celadon-KMA GP I, which is the general partner in WP School Redevelopment Limited Partnership. The limited partner in this development is Enterprise Community Partner ("Enterprise"). This facility is able to provide 60 affordable housing units for seniors and was completed in the summer of 2019. Lease up has begun in October 2019 and is expected to be completed by December 2019.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Organization and Program Description (concluded)

In 2018, ASH V, LLC (“ASH V”) was formed and became the single member of an Illinois Limited Partnership Company, Roosevelt Road Veteran Housing, LP (“RRVH”), also formed in 2018. The entity was formed with the intent to develop real estate in Chicago, Illinois. ASH V will be the general partner along with National Equity Fund (“NEF”) as the limited partner. RRVH decided to utilize low income housing tax credits and to obtain a limited partner to bring significant equity to the project. RRVH is set to break ground in the spring of 2020 and will contain 90 veteran preference units.

In 2019, ASH VI, LLC (“ASH VI”) was formed and became the single member of an Indiana Limited Liability Company, A Safe Haven Veteran Apartments, LP (“ASHVA”), which was formed in August 2019 as an Indiana Limited Liability Company. The entity was formed with the intent to develop real estate in Hobart, Indiana. ASH VI will be the general partner along with Cinnaire, a Michigan investment company, as the limited partner. ASHVA decided to utilize low income housing tax credits and to obtain a limited partner to bring significant equity to the project.

ASHF manages its programs and their related functional expenses under seven distinct areas of impact:

Health Initiatives – Assistance in accessing health insurance and services for populations at risk
Education – Life skills and literacy training for ASHF clients, including youth mentoring and support
Residential – Emergency and interim housing for populations at risk
Social Enterprise – Landscaping, staffing and catering services sold into multiple markets
Supportive Services – Homeless prevention interventions, substance abuse treatment and transitional housing
Workforce Development – Job skills training, transition back to work counseling and job placement support
Real Estate Operations – Rental of affordable housing and commercial space

Note 2 – Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of ASHF, KMA V, KMA VIII, HQ, MPVH (“ASHVV”), CCIL, LLC, Commercial, LP, ASH IV, ASH V, ASH VI and RRVH (collectively the “Organization”).

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Information regarding the financial position and activities of the Organization are reported in two classes of net assets (as applicable): with donor restrictions and without donor restrictions.

Classification of Net Assets

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets without donor restrictions: Net assets that are not subject to donor-imposed or the donor-imposed restriction have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Organization. Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Revenue Recognition and Support

ASHF receives grant revenue from federal, state and local agencies. Revenue is recognized as services are provided in accordance with the terms of the grants. Grant funds received in advance of being earned are reported as deferred revenue. Any of the funders may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of noncompliance by ASHF with the terms of the grants. Management believes that the Organization is in compliance with all grants and that no amounts are due to grantors as of June 30, 2019.

Contributions are recorded as increases in net assets with donor restrictions or increases in net assets without donor restrictions, depending on the existence or nature of any donor restrictions. Contributions received with donor-imposed restrictions limiting the use of the donated assets are reported as revenue with donor restrictions. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statements of activities as net assets released from restriction.

Rental income for office/retail space is from other service providers that provide specific services that complement ASHF's homeless service programs. ASHF also leases beds to a related entity (See Note 4). Rental income is recognized as it is earned under the specific non-cancellable operating lease agreements.

Rental income of CCIL and its subsidiary entities is recognized as income on the accrual basis as it is earned. Certain leases provide for tenant occupancy during periods for which no rent is due and/or increases in minimum lease payments over the terms of the leases. Rental revenue is accrued for the full period of occupancy on a straight line basis. All leases between LP and the tenants of the property are considered operating leases and have terms of one year or less.

Allocation of Expenses

The costs of providing the various programs, fund-raising, and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain indirect costs have been allocated among the seven program areas, administrative and fundraising activities on the basis of management's estimates.

Management Estimates and Assumptions

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid short-term investments with original maturities of three months or less to be cash equivalents. The Organization regularly maintains cash balances, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk related to cash and cash equivalents.

Restricted Cash

Escrows are maintained for the benefit of projects of LP and MPVH. These escrowed funds are restricted as to their use based upon the applicable regulatory documents.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Restricted Cash

LP, as mentioned further under Note 7, owns real property financed by mortgages through the Illinois Housing Development Authority ("IHDA"). It is IHDA's position, under Illinois statute, that project cash surplus cannot be used to pay off the IHDA mortgages, and, upon such payoff from other funds, IHDA is entitled to any surplus cash, including reserves and escrows remaining at such time as in excess of the maximum cash return allowable to the property owners set forth in the Regulatory Agreement at such times as the loan was consummated. The potential amount to be returned upon such an event cannot be determined and, as such, no related amounts have been reflected in the accompanying financial statements. Escrows and reserves were appropriately funded as of June 30, 2019 and 2018.

Accounts Receivable

Accounts receivable represent amounts due for various program services provided to funding agencies and others, as well as earned revenue from social business enterprises. The allowance for doubtful accounts is determined based on historical experience and analysis of specific accounts. Uncollectible amounts are charged to bad debt expense when that determination is made. The allowance for doubtful accounts was approximately $72,000 and $153,000 as of June 30, 2019 and 2018, respectively.

Tenant Security Deposits

Regulations of IHDA require that security deposits be segregated from the general funds of LP and MPVH. Accordingly, these entities hold all security deposit funds in a separate interest-bearing account. When the tenant vacates the unit, any unpaid balance remaining after application of the security deposit is charged to bad debt expense. The security deposit is included in other current liabilities in the consolidated statements of financial position.

Property and Equipment

Property and equipment purchased are recorded at cost. Donations of property and equipment are recorded as contributions at their estimated fair market value at the time of donation. Improvements are capitalized, while expenditures for ordinary maintenance and repairs are expensed as incurred. Property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. There were no impairment charges for the years ended June 30, 2019 and 2018. For projects where ASHF is functioning as the general partner in an affordable housing construction project, construction in progress entries are made based on the certified construction draw materials which document the capitalized costs of the project completed at the end of each month.

Property and equipment are depreciated over their estimated useful lives, using the straight-line method as follows:

	Estimated Useful Lives (in Years)
Building and improvements	15-50
Furniture, fixtures, and equipment	5-20
Automobiles	5
Computer software	2-3
Tenant improvements	Lease Life

Depreciation expense totaled $1,341,546 and $2,087,760 for the years ended June 30, 2019 and 2018, respectively.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Asset Available for Sale

A land and a building, located at 817 S. Springfield purchased by the Organization in 2010, was listed for sale at the end of the 2019 fiscal year for $600,000. Based on the real estate market and an offer from a potential buyer, no impairment was noted as of June 30, 2019. Subsequent to June 30, 2019, an offer was made for $575,000 and the sale is pending due diligence by the potential buyer.

Debt Issue Costs and Amortization

Debt issue and financing costs consist of bond issuance costs and other fees incurred in order to obtain financing. Such amounts are amortized over the term of the related debt using the straight-line method. GAAP requires that the effective yield method be used to amortize financing costs; however, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method. Tax credit fees are amortized over 10 years using the straight-line method. The costs are presented net of long-term debt in the consolidated statements of financial position.

Investment in Partnerships

The Organization accounts for investments in partnerships under the equity method of accounting because the Organization does not have operational and financial control. The aspects of control are reviewed annually. The equity method of accounting shows the net equity investment in the partnerships consisting of total contributions to the partnerships less distributions adjusted for the income or loss allocated to the Organization from the partnerships. The investment in partnerships is reviewed for impairment when events or changes in circumstances indicate that the carrying value of the investment is not recoverable. There were no impairment charges for the years ended June 30, 2019 and 2018.

Income Taxes

Not-For-Profit: The Organization's primary entities qualify as tax-exempt organizations under Section 50l(c) (3) of the Internal Revenue Code and are exempt from federal and state income taxes excluding any income not related to its tax-exempt purpose. The operations of CS are reported by HQ for tax purposes and are considered to be related to its tax-exempt purposes. No provision for income taxes has been recorded in the accompanying financial statements for the years ended June 30, 2019 and 2018, as all income is related to its tax exempt purpose. However, these entities would be liable for taxes on unrelated business income generated from unrelated trade or business activities. These entities had no unrelated trade or business activity during the years ended June 30, 2019 and 2018.

Corporations: ASH IV, ASH V, ASH VI, KMA V and KMA VIII have elected to be taxed as corporations. The Company provides for deferred income tax assets and liabilities based on the estimated future tax effects of differences between the consolidated financial statement and income tax basis of assets and liabilities based on the provision of enacted tax laws. Deferred income tax expenses or benefits are based on the charges in the asset and liability from year to year. The entities do not have a valuation allowance related to deferred income tax assets.

Limited Partnerships: No provision or benefit for income taxes has been included in these financial statements since taxable income or loss passes through to, and is reportable by, the partners individually.

Limited Liability Companies: The limited liability companies ("LLCs") are single member LLCs which are treated as disregarded entities for income tax purposes. Therefore, no provision or benefit for income taxes has been included in these financial statements since taxable income or loss passes through to, and is reportable by, the members individually.

Non-Controlling Interest in Limited Partnership

This amount represents the aggregate balance of limited partner equity interests in the non-wholly owned limited partnerships that are included in the consolidated financial statements.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (continued)

Liquidity and Availability

The Organization strives to maintain liquid financial assets sufficient to cover 60 days of general expenditures. This includes the use of a revolving Line of Credit. The following table reflects the Foundation's current consolidated unrestricted financial assets as of June 30, 2019 and 2018. The Organization has a line of credit with an available balance of $644,000 and $300,000 as of June 30, 2019 and 2018 respectively. The Organization has a related party that has been available as an additional source of liquidity. The operations of the Foundation averages $1.6 million per month in expense (excluding In-Kind). The Organization is heavily depended upon revenue from grants and donations as well as various revenue-producing activities. Revenue from "Social Enterprise" activities, primary Landscaping and Catering businesses, account for 35% of revenue. Governmental contracts (local, state, and federal) account for 31% of revenue. Rental Revenue makes up 23% of revenue. Donations, excluding significant In-Kind, account for approximately 9% of revenue. The remaining revenue is generated from fundraising and miscellaneous activities.

	2019	2018
Consolidated Current Assets		
Cash and cash equivalents	$ 1,476,335	$ 1,541,204
Accounts receivable, net	1,571,737	2,611,930
Prepaid expenses	326,363	212,947
Total current assets excluding restricted cash and related party receivables	3,374,435	4,366,081
Total current liabilities	4,929,904	6,212,470
Less: Due to related parties	1,624,873	1,199,315
Total current liabilities excluding related party payables	3,305,031	5,013,155
Liquidity Ratio*	1.02	0.87

*Excludes related party activities

Derivative Instruments

The Organization's interest rate swap is recognized as a liability in the accompanying consolidated statements of financial position and measured at fair value. Any change in the fair value is recognized immediately in earnings.

In order to present the interest expense at the fixed amount paid, the periodic settlement payments are recorded as interest expense and are included as operating expenses in the accompanying consolidated statement of activities. The change in the fair value of this financial instrument, net of the periodic settlement payments, has been recorded in nonoperating activities in the accompanying consolidated statements of activities. See Note 9 for further disclosures.

Reclassifications

Certain reclassifications have been made to 2018 amount to conform to 2019 presentation which did not impact total net assets or the change in net assets.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Policies (concluded)

Adoption of New Accounting Pronouncements.

As of July 1, 2018, the Organization adopted ASU No. 2016-14, Not for Profit Entities (Topic 958): Presentation of Financial Statements of Not for Profit Entities. The standard requires significant changes to the financial reporting model of organizations who follow FASB not-for-profit rules, including changing from three classes of net assets to two classes, net assets with donor restrictions and net assets without donor restrictions. The standard also requires changes in the way certain information is aggregated and reported by the Organization, including required disclosures about the liquidity and availability of resources and the presentation of expenses by both functional and natural classification. All applicable changes to the reporting model have been retrospectively incorporated into the presentation.

As of July 1, 2018, the Organization adopted ASU No. 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash. The standard requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and the amounts generally described as restricted cash or cash equivalents. Amounts general described as restricted cash and cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. All applicable changes to the statement of cash flows have been retrospectively incorporated into the presentation.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606). This ASU is a comprehensive new revenue recognition model that requires an Organization to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods or services. In August 2015, FASB issued ASU 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date, which deferred the effective date of ASU 2014-09 to annual reporting periods beginning after December 15, 2018. Early adoption is permitted for reporting periods beginning after December 15, 2016. Organizations may use either a full retrospective or a modified retrospective approach to adopt this ASU. Management is currently evaluating this standard, including which transition approach to use.

In June 2018, FASB issued ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for contributions (nonreciprocal) with the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to Topic 606 or other guidance and (2) determining whether a contribution is conditional. The new guidance is effective for fiscal years beginning after December 15, 2018. Early adoption is permitted. Management is currently evaluating this standard.

Note 3 – Investment in Partnerships

In June 2012, ASHF received $400,100 of project fee rebates from the Village of East Dundee in connection with the first phase of a two-phase development project to provide low income rental housing for individuals and families. ASHF contributed this amount to KMA V. ASHF was also awarded an Affordable Housing Program ("AHP") grant of $420,000 through a Member bank of the Federal Home Loan Bank system in connection with the development which it also contributed to KMA V. KMA V used the combined funds of $820,100 to make a capital contribution to Gardiner Senior Development, LLC which is the general partner of Gardiner Senior Apartments, LP, and the owner of the first phase of a low-income housing project. KMA V has a 26% interest in the general partner and is a non-managing member. The general partner in turn made an $820,000 capital contribution to the owner. This investment is recorded in accordance with the equity method of accounting in accordance with accounting principles generally accepted in the United States of America.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3 – Investment in Partnerships (concluded)

In July 2012, ASHF received $1,000,000 of project rebate fees from the Village of East Dundee in connection with the second phase of the above two-phase development project to provide low income rental housing for individuals and families. ASHF contributed this amount to KMA V. KMA V used the $1,000,000 to make a capital contribution to River Haven Place GP, LLC which is the general partner of River Haven Place, LP, and the owner of the second phase of a low-income housing project. KMA V has a 26% interest in the general partner and is a non-managing member. The general partner, in turn, made a $1,000,000 capital contribution to the owner. This investment is recorded in accordance with the equity method of accounting in accordance with accounting principles generally accepted in the United States of America.

In July 2012, KMA V also entered into a joint venture agreement with the same investor group for an interest in Oswego Mill Street Station GP, LLC which is the general partner of Oswego Mill Street Station LP. The LP is the owner of a development project that plans to construct and rent townhomes to low income individuals and families in the Oswego, Illinois area. The general partner acts as developer for the construction and that role generates owner development fees in addition to future property cash flows. Accordingly, ASHF records its share of development fees earned through its general partnership interest. ASHF will provide social service support for a portion of the tenants in the housing development. In 2013, the two East Dundee projects finished construction and lease-up and became operational. The Oswego project was finished in December 2014 and became operational. This investment is recorded in accordance with the equity method of accounting in accordance with accounting principles generally accepted in the United States of America.

In October 2015, ASHF received a donation of land parcels in Melrose Park, Illinois valued at $750,000 to be used for the A Safe Haven Veteran Village project discussed in Note 1, and was included in the net assets with donor restrictions at June 30, 2019 and 2018. Additionally, ASHF was awarded another AHP grant of $630,000 through a Member bank of the Federal Home Loan Bank system in connection with the development. ASHF contributed these to KMA VIII, and they were in turn contributed to MPVH.

Note 4 – Related Party Transactions

The Organization transacts business with entities under the control of related parties. Due to (from) related parties are disclosed in the accompanying consolidated statements of financial position as of June 30, 2019 and 2018. The following is a summary of transactions between the Organization and related parties for the years ended June 30, 2019 and 2018:

	2019	2018
Social enterprise revenue	$ 68,500	$ 98,200
Bed-leasing revenue	$ 1,512,400	$ 1,360,100
Management fee expense	$ 1,219,500	$ 1,150,400
Property rent expense	$ 158,000	$ 155,400
Supportive service fees expense	$ 41,500	$ 72,100
Reimbursed expenses	$ 450,000	$ 502,400
Other expenses	$ -	$ 16,300

Note 5 – Working Capital

Current liabilities include the accrued interest on the short-term portion of the National Consumer Cooperative Bank loan described in Note 7 totaling $35,813 as of June 30, 2018. Under the terms of the redevelopment agreement described in Note 15, this obligation is met from funds provided by the City and does not impact ASHF's cash flows. This loan was paid in full in February 2019 with the final TIF payment from the City.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 6 – Deferred Grant Revenue

Deferred grant revenue balances of $764,167 and $834,167 as of June 30, 2019 and 2018, respectively, are comprised of amounts from the Affordable Housing Program grants used to fund ASHF's partnership investments as described in Note 3 for Gardiner Senior Development, LLC ("Gardiner") and MPVH. It consists of $221,667 and $277,667 for the Organization's investment in Gardiner as of June 30, 2019 and 2018, respectively, and $472,500 and $556,500 for the Organization's investment in MPVH as of June 30, 2019 and 2018, respectively. The grant related to Gardiner requires that 70 units of the 80 total units of the project be leased to individuals who qualify as very low and/or low income under HUD guidelines. The grant related to MPVH requires that 18 of the 35 total units of the project be leased to individuals who qualify as very low income under HUD guidelines and 17 of the 35 total units of the project be leased to individuals who qualify as low income under HUD guidelines. Both grants require that the projects be compliant with this use over the next 15 years. ASHF is recognizing the grant revenue evenly over the 15-year compliance periods which expire in 2028 and 2032 for Gardiner and MPVH, respectively.

Note 7 – Long-Term Debt

Long-term debt consists of the following as of June 30:

	2019	2018
A promissory note dated May 1, 2004, held by National Consumer Cooperative Bank ("NCB"), bearing an effective interest rate of 8.00%, requiring an annual payment of principal and interest due on each February 28, maturing February 28, 2019. This note is collateralized by two Tax Increment Financing ("TIF") notes granted by the City. Also see Note 15 for discussion regarding the Redevelopment Agreement. The outstanding balance is presented net of unamortized debt issuance costs of $-0- and $4,750 as of June 30, 2019 and 2018, respectively. This note was paid off in full at maturity with the final TIF payment from the City.	$ -	$ 694,911
Note A - portion of a mortgage note with Urban Partnership Bank ("Urban"), collateralized by a mortgage lien on the 2750 W Roosevelt building, bearing an effective interest rate of 5%, requiring monthly payments of principal and interest of $538,224 maturing November 24, 2019. The outstanding balance is presented net of unamortized debt issuance costs of $50,234 at June 30, 2018. Note A was retired on March 1, 2019 with a payoff amount of $5,783,053 and refinanced by a new mortgage note with Busey Bank. *	-	5,891,789
Note B - portion of a mortgage note with Urban, collateralized by a mortgage lien on the 2750 W Roosevelt building. The loan restructuring completed in November 2014 provides a provision of accelerated repayment where one dollar of repayment will reduce the loan balance by four dollars and forgave all previously accrued interest. Principal and accrued interest at 2% are due at maturity, November 2019. The outstanding balance is presented net of unamortized debt issuance costs of $16,927 at June 30, 2018. Note B was retired on March 1, 2019 with a payoff amount of $813,552 and refinanced by a new mortgage note with Busey Bank. *	-	3,237,721
Subtotal to Page 19	$ -	$ 9,824,421

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 7 – Long-Term Debt (continued)

	2019	2018
Subtotal from Page 18	$ -	$ 9,824,421
A mortgage loan with Busey Bank with a beginning balance of $7,600,000. The mortgage was initiated on March 1, 2019 with a maturity date of March 1, 2029. The interest rate is equal to LIBOR plus 2.5%. This agreement also includes a swap component, as discussed in Note 9. The outstanding balance is presented net of unamortized debt issuance costs of $110,096 at June 30, 2019.	7,436,618	-
A promissory note of Commercial, held by a bank bearing an effective interest rate of 5%, requiring monthly payments of principal and interest of $3,723, maturing August 29, 2019. This note is secured by land and improvements and personal property. The outstanding balance is presented net of unamortized debt issuance costs of $14,364 at June 30, 2018. The note was retired in December 2018 with a payoff amount of $1,836,855 and refinanced with a life insurance company.**	-	1,842,538
A promissory note with a life insurance company bearing an effective interest rate of 5.13%, requiring monthly payments of principal and interest in the amount of $17,766 with an initial amount of $3,000,000 and maturing January 15, 2034. The outstanding balance is presented net of unamortized debt issuance costs of $46,622 at June 30, 2019.**	2,928,463	-
A first mortgage note of LP held by IHDA bearing an effective interest rate of 6.5%, requiring monthly payments of principal and interest of $11,155, maturing July 1, 2025. The note is collateralized by real estate held for lease and an assignment of rents and leases. The outstanding balance is presented net of unamortized debt issuance costs of $21,145 and $24,480 at June 30, 2019 and 2018, respectively.	749,364	826,830
A second mortgage note of LP held by IHDA, non-interest bearing, requiring monthly principal payments of $417, maturing July 1, 2025. This loan is subordinated to the first mortgage. The note is collateralized by real estate held for lease and an assignment of rents and leases.	2,599,623	2,604,624
A third mortgage note of LP held by IHDA under the Trust Fund Act, non-interest bearing, requiring monthly principal payments of $100, maturing July 1, 2025. The note is collateralized by real estate held for lease and an assignment of rents and leases.	733,100	734,302
A fourth mortgage note of LP, held by IHDA under the Financing Adjustment Factor Refunding Agreement, non-interest bearing. All outstanding principal is due at maturity, July 1, 2025. The note is collateralized by real estate held for lease and an assignment of rents and leases.	290,000	290,000
Subtotal to Page 20	14,737,168	16,122,715

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 7 – Long-Term Debt (continued)

	2019	2018
Subtotal from Page 19	$ 14,737,168	$ 16,122,715
On February 14, 2019, ASHF entered into a loan agreement with JCUA for $100,000 for the development on the Roosevelt Road Veteran Housing Project in North Lawndale. This loan is for pre-development costs and bears no interest. The note matures on December 31, 2019 or the closing of the first mortgage loan.	100,000	-
A pre-development loan was issued by Corporation for Supportive Housing to finance the costs associated with pre-development on the Roosevelt Road Veteran Housing project. The note bears an interest rate of 6% and matures on July 1, 2020 or the closing of construction financing.	500,000	250,000
A mortgage loan with a bank on certain real property, bearing interest at 5%, requiring monthly payments of $4,613, maturing July 2020.	58,251	109,218
An equipment loan with a financing company that is non-interest bearing and requires monthly principal payments of $723, maturing in July 2021.	21,693	30,370
A construction promissory note of MPVH issued by the County of Cook dated October 23, 2015 to finance construction of the A Safe Haven Veteran Village property. The note bears interest at an effective rate of 1.73% per annum, requiring annual payments of accrued interest only in the amount of $25,373 per year, paid in arrears, due beginning October 1, 2017 until maturity, October 16, 2055. The note is collateralized by the five land parcels in the village of Melrose Park on which the A Safe Haven Veteran Village property was constructed. The maximum loan value per the agreement is in the amount $1,466,674. The outstanding balance is presented net of unamortized debt issuance costs of $4,282 and $4,371 at June 30, 2019 and 2018, respectively.	1,462,392	1,462,303
	16,879,504	17,974,606
Current	1,038,140	1,140,741
Long-Term	$ 15,841,364	$ 16,833,865

* In March 2019, all the outstanding debt with Urban Partnership Bank, including Note A, Note B and a line of credit, were refinanced with Busey Bank for a mortgage of $7,600,000 and a line of credit of $2,200,000. Approximately $2.4M was forgiven by Urban Partnership Bank at the loan payoff.

** In December 2018, all outstanding debt with Old Second Bank, including a promissory note and a line of credit, were refinanced with an insurance company for a promissory note of $3,000,000.

Note 7 – Long-Term Debt (concluded)

Future minimum payments of long-term debt are as follows as of June 30, 2019:

Year Ending June 30:	Amount
2020	$ 1,038,140
2021	407,224
2022	420,905
2023	440,287
2024	465,161
Thereafter	14,107,787
	$ 16,879,504

Note 8 – Lines of Credit

Busey Bank Line of Credit: On March 1, 2019, the Organization entered an operating line of credit with Busey Bank up to 80% of eligible receivables, as defined, from ASHF not to exceed $2,000,000. Interest at variable rate of the prime rate ("Prime" 5.50% at June 30, 2019) plus 1% is due monthly and the balance was $550,000 as of June 30, 2019. The maturity date on the line of credit is March 1, 2021.

Urban Partnership Bank Line of Credit: In 2018, the Organization had an operating line of credit up to 75% of the value of receivables, as defined, secured by the certain receivables of ASHF and HQ/CS, not to exceed $1,500,000. Interest at a variable rate of 4.77% plus the three month Libor (an effective rate at June 30, 2018 of 7.11%) with a floor of 5% was due monthly. The balance was $1,200,000 as of June 30, 2018. This line was paid off as part of the refinancing in March 2019 as noted in Note 7.

ABC Bank Line of Credit: In 2018, the Organization had a revolving operating line of credit with ABC Bank in the amount of $1,250,000. Interest at a rate of Prime plus 2% was due monthly. The balance was $1,000,000 as of June 30, 2018. The line of credit was secured by the mortgage and assignment of rents of 600 S Wabash Commercial building. The line was paid off as part of refinancing in December 2018 as noted in Note 7.

Note 9 – Interest Rate Swap

The Organization entered into an interest rate swap agreement for $7,600,000 in connection to the Busey promissory note. Under the terms of the agreement, the Organization is to pay the variable rate noted in Note 7 above and receive a fixed rate of 5.44%. The purpose of the swap is to effectively fix the variable interest rate attached to the Organization's borrowings. The swap agreement terminates on March 1, 2029.

The estimated fair value liability for the obligation under this instrument is $666,255 at June 30, 2019. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. GAAP describes three approaches to measuring the fair value of assets and liabilities: the market approach; the income approach; and the cost approach. Each approach includes multiple valuation techniques. GAAP does not prescribe which valuation technique should be used when measuring fair value, but does establish a fair value hierarchy that prioritizes the inputs used in applying the various techniques. Inputs broadly refer to the assumptions that market participants use to make pricing decisions, including assumptions about risk. Level 1 inputs are given the highest priority in the hierarchy while Level 3 inputs are given the lowest priority. Financial assets and liabilities carried at fair value are classified in one of the following three categories based upon the inputs to the valuation technique:

> **Level 1 Inputs** - Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities in active markets as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Investments included in Level 1 include listed equities.

Note 9 – Interest Rate Swap (concluded)

Level 2 Inputs - Observable market-based inputs or unobservable inputs that are corroborated by market data. Investments which are generally included in this category include less liquid and certain over-the-counter derivatives. Investments that are included in this category also include investments in commingled funds and investment partnerships such as hedge funds and open-ended real estate funds.

Level 3 Inputs - Unobservable inputs that are not corroborated by market data. These inputs reflect management's best estimate of fair value using net asset value per share of the funds. Investments that are included in this category generally include investments in investment partnerships such as private equity and real estate funds. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurements. The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. The following section describes the valuation techniques used by the Organization to measure different financial instruments at fair value and includes the level within the fair value hierarchy in which the financial instrument is categorized.

The only investment measured at fair value is the interest rate swap initiated during 2019. The swap's fair value is measured using Level 2 inputs (significant other observable inputs).

Note 10 – Capital Leases

The Organization leases certain equipment and automobiles under agreements accounted for as capital leases with various terms extending through Fiscal 2022 and with interest rates varying from 1.5% to 2.7%. The cost of leased assets was approximately $145,628 and $365,300 as of June 30, 2019 and 2018, respectively, and related accumulated depreciation was approximately $73,948 and $195,100, respectively, for the years then ended. Amortization of leased assets is included in depreciation expense. Future minimum payments under capital leases are as follows as of June 30, 2019:

Year Ending June 30:	Amount
2020	$ 41,022
2021	30,482
2022	14,132
Total minimum lease payments	85,636
Less: Amount attributable to interest	2,486
Present value of minimum lease payments	83,150
Less: Current maturities	39,282
Long-term portion of capital lease payments	$ 43,868

Subsequent to June 30, 2019, ASHF leased an additional five vehicles with leases extending through Fiscal 2025, with interest rates of 6.1 to 6.9%. The additional lease obligation is $191,767.

Note 11 – Operating Leases

ASHF has portions of its 2750 W Roosevelt Building under lease to two unrelated service providers whose services complement the homeless service programs housed at the facility. The leases expire December 31, 2018 and January 16, 2020, with provisions for renewals. The service provider whose lease expired on December 31, 2018 went month-to-month until April 2019 and chose not to renew.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 11 – Operating Leases (concluded)

Commercial leases space under operating lease agreements that expire based on terms of lease agreements through March 31, 2026. The terms of the leases call for monthly payments ranging between $3,600 and $18,000. Some leases allow tenants to occupy space rent-free before opening or feature accelerating monthly rents through the lease term. ASHF recognizes income from these agreements on a straight-line basis over the term of the lease. Accordingly, ASHF has recorded deferred rent assets of approximately $139,000 and $172,700 as of June 30, 2019 and 2018, respectively. Approximate future rentals to be received under the leases currently in place as of June 30, 2019 are as follows:

Year Ending June 30:	Amount
2020	$ 403,547
2021	349,451
2022	344,198
2023	300,972
2024	246,854
Thereafter	426,936
	$ 2,071,958

Note 12 – Tax Credits

The LP has received an allocation of low-income housing tax credits from the State of Illinois totaling $10,779,710. The building of the project has qualified for and been allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42 ("Section 42"). These tax credits are contingent on its ability to maintain compliance with applicable provisions of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period, could result in recapture of previously claimed tax credits plus interest. In addition, such potential noncompliance could result in an adjustment to the capital contributed by the Limited Partner.

Primarily due to a fire in LP's building in 2006, the timing of the tax credits was delayed from the initial projections and therefore the value of the credits delivered to the Limited Partner was diminished. According to the terms of the partnership agreement, a Tax Credit Adjustment of $730,000 was calculated by the Limited Partner and reviewed and approved by the general partner. The Limited Partner had reduced its capital contributions by $443,893 to partially offset the difference in value. The partnership paid the difference of $286,107 of amounts withheld and the full tax credit adjustment back to the Limited Partner in October 2013 and an amendment was signed to clarify how future available cash flow would be shared going forward.

MPVH has received an allocation of low-income housing tax credits from the State of Illinois totaling $9,458,480. The building of the project has qualified for and been allocated low-income housing tax credits pursuant to Section 42. These tax credits are contingent on its ability to maintain compliance with applicable provisions of Section 42. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period, could result in recapture of previously claimed tax credits plus interest. The credit allocation will be allowed annually in the amount of $945,848 for 10 years up to 15 years if the Project remains in compliance, and dependent on unit lease-up during the two initial years of operations. MPVH began receiving a credit allocation during the year ended June 30, 2016.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 13 – Commitments and Guarantees

The LP has executed a regulatory agreement with IHDA which requires the operation of the low-and moderate-income rental housing project pursuant to Section 42 for a minimum of 30 years. The agreement provides for regulation of rental charges, restrictions on disposition of property, and the limitation of annual cash distributions to the partners. This agreement expires on December 29, 2033.

MPVH has executed a regulatory agreement with IHDA which requires the operation of the 35 unit low-and moderate-income rental housing project pursuant to Section 42 for a minimum of 30 years. The agreement provides for regulation of rental charges, restrictions on disposition of property, and the limitation of annual cash distributions to the partners. This agreement expires on October 23, 2035.

Note 14 – Partnership Profits, Losses, and Distributions

As the general partner, LLC and KMA VIII have a 0.01% interest in LP and MPVH, respectively, while one limited partner, NEF, has a 99.99% interest. Generally, profits and losses from the limited partnerships are allocated to their partners in accordance with their percentage interests. Cash flow, as defined by the Partnership Agreement, generally is distributable as scheduled. Profits and losses arising from the sale, refinancing, or other disposition of all or substantially all of the partnership's assets will be specifically allocated as scheduled in the respective partnership agreements. Additionally, the partnership agreements provide for other instances in which a special allocation of profits, losses and distributions may be required.

Note 15 – Redevelopment Agreement

ASHF is bound by a Redevelopment Agreement originally entered into on May 14, 2004 between CCIL and the City. The City, through the West Ogden TIF, and the Near West TIF, provided substantial financing for the 2750 W Roosevelt Building. The agreement expires February 5, 2021. The Redevelopment Agreement provides funding for a transitional housing facility, adult and child training center, and staff offices.

The Redevelopment Agreement provides for the City to provide funds subject to the terms and conditions as defined in the agreement. The expected future payments under the Redevelopment Agreement match the loan obligation to NCB described in Note 7. The anticipated revenue from the TIF received by the City pursuant to the Redevelopment Agreement is in an annual amount of approximately $756,000 and over the course of the remainder of the agreement will pay off the NCB loan and accrued interest. Management believes that the provisions within the Redevelopment Agreement define the financing as a gain contingency and as such, ASHF only recognizes revenue when the payment has been made by the City. Payments of $755,634 were made to NCB during each of the years ended June 30, 2019 and 2018, and are reported as tax incremental fund revenue on the accompanying consolidated statement of activities. The NCB loan was paid in full during February 2019.

Note 16 – Significant Contracts

ASHF has two revenue contracts to provide homeless housing and supportive services with projected annual revenues of approximately $650,000 in 2019 and $900,000 in 2018 that renew annually. The CHA contract renews on July 1 and the SPC contract renews on May 31. The CHA payments are received by direct deposit into the LP's operating account, and the SPC payments are received by ASHF and flow through to the LP. In 2019 and 2018, the HAP contracts contributed approximately 55 and 62 percent of rental revenue, respectively. The remaining revenue was received directly from the tenants.

ASHF has four HUD grants to provide transitional housing and supportive services to a variety of populations. These contracts provide for partial funding of total program costs and require a portion of the program costs, as defined, to be matched by other contracts or contributions. Revenues from these contracts were $862,254 and $791,946 for the years ended June 30, 2019 and 2018, respectively.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 16 – Significant Contracts (concluded)

ASHF has contracts with the City of Chicago Department of Families and Support Services to perform supportive services for people who are formerly homeless. These contracts allow ASHF to serve an additional three populations of families and at-risk youth and provide funding for the program costs, as defined. Total revenue recognized by ASHF under these contracts was $1,293,043 and $1,231,147 for the years ended June 30, 2019 and 2018, respectively.

ASHF has a contract with the Illinois Department of Human Services to perform supportive services for people who are formerly homeless, or who are under threat of homelessness, who occupy units of affordable housing with affiliated companies. This contract provides partial funding for the program and requires a portion of the program costs, as defined, to be matched by other contracts or contributions. Revenues from this contract were $520,762 and $378,852 for the years ended June 30, 2019 and 2018, respectively.

As part of providing a comprehensive training employment program, ASHF has various contracts with the City and the Chicago Public Schools to perform landscape maintenance services throughout the City. Revenues from these contracts were $2,649,280 and $2,444,323 for the years ended June 30, 2019 and 2018, respectively.

ASHF was awarded a contract under the Veterans Administration's Capital and per diem program that provides for longer term housing for former veterans that are also reimbursed on a per diem basis. Revenues from these contracts were $25,013 and $364,643 for the years ended June 30, 2019 and 2018, respectively.

ASHF has a management agreement whereby a related party provides management services to ASHF in the form of corporate management and property management for the Foundation's rental property. Total management fees incurred under the agreements were $1,070,166 and $1,081,110 for the years ended June 30, 2019 and 2018, respectively.

Note 17 – Employee Benefit Plan

The ASHF benefit plan provides for discretionary matching contributions, not to exceed 6% of each participant's eligible compensation per payroll period. The plan also provides for an annual profit-sharing contribution to be made at the discretion of ASHF for the benefit of all eligible employees who have worked at least 1,000 hours during the plan year. The plan is offered to those Eligible employees defined as those who are 21 years of age or older, who have completed three months or more of service, and who are not members of a union. Matching contributions of $21,929 and $20,815 were made for the years ended June 30, 2019 and 2018, respectively. No annual profit-sharing contributions were elected for either year.

Note 18 – Donated Services and Items

ASHF received donated services and items in the amount of $3,457,283 and $2,574,736 during the years ended June 30, 2019 and 2018, respectively. These donated services, which primarily pertained to the Organization's interim housing and veteran's support programs, and items, which were mainly comprised of food donations from the Greater Chicago Food Depository and surplus clothing from the Department of Defense. These donations were recorded at fair value and recognized as income and expense when the services were performed or the items were received.

Note 19 – Concentrations

One grantor accounted for approximately 13% and 15% of total support and revenue for the years ended June 30, 2019 and 2018, respectively. A different grantor accounted for approximately 37% of total accounts receivable as of June 30, 2019 and two grantors accounted for approximately 37% of total accounts receivable at June 30, 2018. One customer accounted for approximately 13% of total accounts receivable as of June 30, 2019.

A SAFE HAVEN FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 20 – Construction in Progress

Construction in progress as of June 30, 2019 and 2018 includes the 90 unit affordable housing project of RRVH, totaling $587,480 and $189,681, which comprises all costs incurred by the Foundation through June 30, 2019 and 2018, respectively. Ground breaking is expected to occur in the spring of 2020.

Note 21 – Sale of Property

In August 2017, the property known as East End was sold for approximately $730,000, resulting in a gain of approximately $460,000. The line of credit and the loan collateralized by the building were paid in full as a result of the transaction.

Note 22 – Net Assets with Donor Restrictions

Net Assets with donor restrictions arise from the following types of restrictions by donors as of June 30:

	2019	2018
Purpose Restriction:		
Donated property	$ 750,000	$ 750,000
Program related	151,835	426,604
Purpose and Time Restriction:		
Program related	105,000	300,000
	$ 1,006,835	$ 1,476,604

Note 23 – Contingent Liabilities

ASHF is a defendant in various legal actions arising from the normal course of its operations. While it is not possible to predict accurately or determine the eventual outcome of such actions, management believes that the outcome of these proceedings will not have a material adverse effect on the financial position of the Organization, its changes in net assets, or its cash flows.

Note 24 – Subsequent Events

Management has evaluated all known subsequent events from June 30, 2019 through December 20, 2019, the date the accompanying consolidated financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2019

ASSETS

	ASHF (including ASH VI)	KMA Holdings V (KMA V)	KMA Holdings VIII (KMA VIII)	A Safe Haven Veteran Village (ASHVV)	Harborquest (HQ)	CCIL	600 S. Wabash Commercial (Commercial)
Current Assets							
Cash and cash equivalents	$ 240,161	$ 18,069	$ 5,611	$ 263,047	$ 19,055	$ 5,315	$ 467,547
Restricted cash	-	-	-	262,577	-	-	-
Accounts receivable-net	1,525,837	-	-	200	38,374	-	115
Due from related parties	1,927,187	-	225,737	-	120,968	2,139,700	-
Prepaid expenses	240,081	-	-	27,329	10,364	-	10,000
Other current assets	-	-	-	-	-	-	-
Total current assets	3,933,266	18,069	231,348	553,153	188,761	2,145,015	477,662
Property and equipment							
Land	1,041,407	-	-	750,100	-	-	184,800
Buildings and improvements	13,814,173	-	-	9,986,615	-	-	2,140,528
Furniture, fixtures, and equipment	865,140	-	-	1,078,599	2,425	-	-
Automobiles	728,220	-	-	-	-	-	-
Computer software	69,862	-	-	-	5,600	-	-
Construction in progress	-	-	-	-	-	-	-
	16,518,802	-	-	11,815,314	8,025	-	2,325,328
Less: Accumulated depreciation	(4,358,878)	-	-	(1,979,999)	(7,885)	-	(698,303)
Net property and equipment	12,159,924	-	-	9,835,315	140	-	1,627,025
Other assets							
Assets available for sale	251,149	-	-	-	-	-	-
Deferred rent assets	-	-	-	-	-	-	138,972
Other assets	-	-	-	113,585	13,176	-	-
Lease commissions	19,150	-	-	-	-	-	81,388
Less: Accumulated amortization	(19,150)	-	-	(22,717)	-	-	(39,024)
	251,149	-	-	90,868	13,176	-	181,336
Investment in partnerships	2,597,105	1,820,483	749,877	-	-	-	120,100
Total other assets	2,848,254	1,820,483	749,877	90,868	13,176	-	301,436
Total assets	$ 18,941,444	$ 1,838,552	$ 981,225	$ 10,479,336	$ 202,077	$ 2,145,015	$ 2,406,123

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2019

ASSETS

	600 S. Wabash LLC (LLC)	600 S. Wabash LP (LP)	RRVH	ASH V	ASH IV	Subtotal	Eliminations	2019
Current Assets								
Cash and cash equivalents	$ -	$ 457,530	$ -	$ -	$ -	$ 1,476,335	$ -	$ 1,476,335
Restricted cash	-	1,416,692	-	-	-	1,679,269	-	1,679,269
Accounts receivable-net	-	7,211	-	-	-	1,571,737	-	1,571,737
Due from related parties	1,811,986	178,032	12,520	-	-	6,416,130	(6,298,620)	117,510
Prepaid expenses	-	38,589	-	-	-	326,363	-	326,363
Other current assets	-	-	-	-	-	-	-	-
Total current assets	1,811,986	2,098,054	12,520	-	-	11,469,834	(6,298,620)	5,171,214
Property and equipment								
Land	-	1,015,200	-	-	-	2,991,507	-	2,991,507
Buildings and improvements	-	14,996,794	-	-	-	40,938,110	(1,049,479)	39,888,631
Furniture, fixtures, and equipment	-	502,641	-	-	-	2,448,805	(48,063)	2,400,742
Automobiles	-	-	-	-	-	728,220	-	728,220
Computer software	-	-	-	-	-	75,462	-	75,462
Construction in progress	-	-	587,480	-	-	587,480	-	587,480
	-	16,514,635	587,480	-	-	47,769,584	(1,097,542)	46,672,042
Less: Accumulated depreciation	-	(7,964,253)	-	-	-	(15,009,318)	319,327	(14,689,991)
Net property and equipment	-	8,550,382	587,480	-	-	32,760,266	(778,215)	31,982,051
Other assets								
Assets available for sale	-	-	-	-	-	251,149	-	251,149
Deferred rent assets	-	-	-	-	-	138,972	-	138,972
Other assets	-	500	-	-	-	127,261	-	127,261
Lease commissions	-	-	-	-	-	100,538	-	100,538
Less: Accumulated amortization	-	(500)	-	-	-	(81,391)	-	(81,391)
	-	-	-	-	-	536,529	-	536,529
Investment in partnerships	309,450	-	-	-	-	5,597,015	(3,776,531)	1,820,484
Total other assets	309,450	-	-	-	-	6,133,544	(3,776,531)	2,357,013
Total assets	$ 2,121,436	$ 10,648,436	$ 600,000	$ -	$ -	$ 50,363,644	$(10,853,366)	$ 39,510,278

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2019

LIABILITIES AND NET ASSETS

	ASHF (including ASH VI)	KMA Holdings V (KMA V)	KMA Holdings VIII (KMA VIII)	A Safe Haven Veteran Village (ASHVV)	Harborquest (HQ)	CCIL	600 S. Wabash Commercial (Commercial)
Current liabilities							
Line of credit	$ 550,000	$ -	$ -	$ -	$ -	$ -	$ -
Current portion of long-term debt	875,759	-	-	-	-	-	62,011
Current portion of capital leases	39,282	-	-	-	-	-	-
Accounts payable and accrued expenses	841,418	-	-	31,708	141,172	-	227,681
Accrued interest	56,668	-	-	19,030	-	-	-
Current portion of deferred grant revenue	70,000	-	-	-	-	-	-
Deferred revenue	134,725	-	-	-	-	-	-
Other current liabilities	-	-	-	17,195	-	-	43,337
Due to related parties	1,868,089	17,267	225,737	865,439	38,143	-	5,539
Total current liabilities	4,435,941	17,267	225,737	933,372	179,315	-	338,568
Long-term liabilities							
Long-term debt, net of current portion	7,240,803	-	-	1,462,392	-	-	2,866,452
Capital leases, net of current portion	43,868	-	-	-	-	-	-
Interest rate swap	666,255	-	-	-	-	-	-
Deferred grant revenue, net of current portion	694,167	-	-	-	-	-	-
Total long-term liabilities	8,645,093	-	-	1,462,392	-	-	2,866,452
Total liabilities	13,081,034	17,267	225,737	2,395,764	179,315	-	3,205,020
Net Assets (Deficit)							
Controlling interest	5,860,410	1,821,285	753,872	749,857	22,762	2,145,015	(798,897)
Noncontrolling interest	-	-	1,616	7,333,715	-	-	-
Total net assets (deficit)	5,860,410	1,821,285	755,488	8,083,572	22,762	2,145,015	(798,897)
Total liabilities and net assets	$ 18,941,444	$ 1,838,552	$ 981,225	$ 10,479,336	$ 202,077	$ 2,145,015	$ 2,406,123

See Independent Auditor's Report.

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2019

LIABILITIES AND NET ASSETS

	600 S. Wabash LLC (LLC)	600 S. Wabash LP (LP)	RRVH	ASH V	ASH IV	Subtotal	Eliminations	2019
Current liabilities								
Line of credit	$ -	$ -	$ -	$ -	$ -	$ 550,000	$ -	$ 550,000
Current portion of long-term debt	-	100,370	-	-	-	1,038,140	-	1,038,140
Current portion of capital leases	-	-	-	-	-	39,282	-	39,282
Accounts payable and accrued expenses	-	46,342	-	-	-	1,288,321	-	1,288,321
Accrued interest	-	4,174	-	-	-	79,872	-	79,872
Current portion of deferred grant revenue	-	-	-	-	-	70,000	-	70,000
Deferred revenue	-	-	-	-	-	134,725	-	134,725
Other current liabilities	-	51,648	-	-	-	112,180	-	112,180
Due to related parties	-	4,093,022	600,000	1,731	2,739	7,717,706	(6,418,720)	1,298,986
Total current liabilities	-	4,295,556	600,000	1,731	2,739	11,030,226	(6,418,720)	4,611,506
Long-term liabilities								
Long-term debt, net of current portion	-	4,271,717	-	-	-	15,841,364	-	15,841,364
Capital leases, net of current portion	-	-	-	-	-	43,868	-	43,868
Interest rate swap	-	-	-	-	-	666,255	-	666,255
Deferred grant revenue, net of current portion	-	-	-	-	-	694,167	-	694,167
Total long-term liabilities	-	4,271,717	-	-	-	17,245,654	-	17,245,654
Total liabilities	-	8,567,273	600,000	1,731	2,739	28,275,880	(6,418,720)	21,857,160
Net Assets (Deficit)								
Controlling interest	2,121,436	339,875	-	(1,731)	(2,739)	13,011,145	(4,434,646)	8,576,499
Noncontrolling interest	-	1,741,288	-	-	-	9,076,619	-	9,076,619
Total net assets (deficit)	2,121,436	2,081,163	-	(1,731)	(2,739)	22,087,764	(4,434,646)	17,653,118
Total liabilities and net assets	$ 2,121,436	$ 10,648,436	$ 600,000	$ -	$ -	$ 50,363,644	$(10,853,366)	$ 39,510,278

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

	ASHF (including ASH VI)	KMA Holdings V (KMA V)	KMA Holdings VIII (KMA VIII)	A Safe Haven Veteran Village (ASHVV)	Harborquest (HQ)	CCIL	600 S. Wabash Commercial (Commercial)
Revenue and support							
Service contracts	$ 4,944,386	$ -	$ -	$ -	$ -	$ -	$ -
Social enterprise revenue	4,103,428	-	-	-	3,377,670	-	-
Rental income	1,902,664	-	-	335,471	-	-	511,412
Tax incremental fund revenue	755,634	-	-	-	-	-	-
Contributions	5,766,745	-	-	-	-	23,445	-
Management fees	4,362	-	-	-	-	-	-
Other revenue	138,022	55,849	(64)	2,429	61,703	44,505	687
Total support and revenue	17,615,241	55,849	(64)	337,900	3,439,373	67,950	512,099
Operating expenses							
Program services	14,828,175	67,608	1,322	800,761	3,295,537	-	1,553,369
Management and general	2,355,673	-	-	-	4,039	25,562	-
Fundraising	516,011	-	-	-	-	-	-
Total operating expenses	17,699,859	67,608	1,322	800,761	3,299,576	25,562	1,553,369
Nonoperating activities							
Gain from debt forgiveness	2,440,694	-	-	-	-	-	-
Change in fair value of interest rate swap	(666,255)	-	-	-	-	-	-
Total nonoperating activities	1,774,439	-	-	-	-	-	-
Change in net assets before noncontrolling interest	1,689,821	(11,759)	(1,386)	(462,861)	139,797	42,388	(1,041,270)
Change in net assets attributable to noncontrolling interest	-	-	416	462,815	-	-	-
Change in net assets attributable to controlling interest	1,689,821	(11,759)	(970)	(46)	139,797	42,388	(1,041,270)
Controlling interest net assets (deficit) - Beginning of year	4,170,589	1,833,044	751,453	749,903	(117,035)	2,102,627	242,373
Distributions	-	-	(111)	-	-	-	-
Contributions	-	-	3,500	-	-	-	-
Controlling interest net assets (deficit) - End of year	$ 5,860,410	$ 1,821,285	$ 753,872	$ 749,857	$ 22,762	$ 2,145,015	$(798,897)
Noncontrolling interest net assets - Beginning of year	$ -	$ -	$ 580	$ 7,796,530	$ -	$ -	$ -
Distributions	-	-	(48)	-	-	-	-
Contributions	-	-	1,500	-	-	-	-
Change in net assets attributable to noncontrolling interest	-	-	(416)	(462,815)	-	-	-
Noncontrolling interest net assets - End of year	$ -	$ -	$ 1,616	$ 7,333,715	$ -	$ -	$ -
Total net assets - End of year	$ 5,860,410	$ 1,821,285	$ 755,488	$ 8,083,572	$ 22,762	$ 2,145,015	$(798,897)

See Independent Auditor's Report.

A SAFE HAVEN FOUNDATION

CONSOLIDATING SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

	600 S. Wabash LLC (LLC)	600 S. Wabash LP (LP)	RRVH	ASH V	ASH IV	Subtotal	Eliminations	Total
Revenue and support								
Service contracts	$ -	$ -	$ -	$ -	$ -	$ 4,944,386	$ -	$ 4,944,386
Social enterprise revenue	-	-	-	-	-	7,481,098	(1,974,759)	5,506,339
Rental income	-	1,418,421	-	-	-	4,167,968	(432,758)	3,735,210
Tax incremental fund revenue	-	-	-	-	-	755,634	-	755,634
Contributions	-	-	-	-	-	5,790,190	(1,323,290)	4,466,900
Management fees	-	-	-	-	-	4,362	(4,362)	-
Other revenue	56,245	30,471	-	-	-	389,847	(100,630)	289,217
Total support and revenue	56,245	1,448,892	-	-	-	23,533,485	(3,835,799)	19,697,686
Operating expenses								
Program services	323,290	1,749,761	-	1,475	875	22,622,173	(4,098,757)	18,523,416
Management and general	-	-	-	-	-	2,385,274	(9,264)	2,376,010
Fundraising	-	-	-	-	-	516,011	(53,664)	462,347
Total operating expenses	323,290	1,749,761	-	1,475	875	25,523,458	(4,161,685)	21,361,773
Nonoperating activities								
Gain from debt forgiveness	-	-	-	-	-	2,440,694	-	2,440,694
Change in fair value of interest rate swap	-	-	-	-	-	(666,255)	-	(666,255)
Total nonoperating activities	-	-	-	-	-	1,774,439	-	1,774,439
Change in net assets before noncontrolling interest	(267,045)	(300,869)	-	(1,475)	(875)	(215,534)	325,886	110,352
Change in net assets attributable to noncontrolling interest	-	300,839	-	-	-	764,070	-	764,070
Change in net assets attributable to controlling interest	(267,045)	(30)	-	(1,475)	(875)	548,536	325,886	874,422
Controlling interest net assets (deficit) - Beginning of year	2,388,481	296,004	-	(256)	(1,864)	12,415,319	(4,760,532)	7,654,787
Distributions	-	-	-	-	-	(111)	-	(111)
Contributions	-	43,901	-	-	-	47,401	-	47,401
Controlling interest net assets (deficit) - End of year	$ 2,121,436	$ 339,875	$ -	$(1,731)	$(2,739)	$ 13,011,145	$(4,434,646)	$ 8,576,499
Noncontrolling interest net assets - Beginning of year	$ -	$ 2,116,028	$ -	$ -	$ -	$ 9,913,138	$ -	$ 9,913,138
Distributions	-	(73,901)				(73,949)	-	(73,949)
Contributions	-	-	-	-	-	1,500	-	1,500
Change in net assets attributable to noncontrolling interest	-	(300,839)	-	-	-	(764,070)	-	(764,070)
Noncontrolling interest net assets - End of year	$ -	$ 1,741,288	$ -	$ -	$ -	$ 9,076,619	-	$ 9,076,619
Total net assets - End of year	$ 2,121,436	$ 2,081,163	$ -	$(1,731)	$(2,739)	$ 22,087,764	$(4,434,646)	$ 17,653,118

See Independent Auditor's Report.

A SAFE HAVEN FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2019

Federal Grantor	Annual Contribution Contract #	Program or Award CFDA#	Federal Awards Expended
U.S. Department of Housing and Urban Development			
Family Wellness Center	IL0121L5T101710	14.267	$ 350,676
Westside Housing and Independent Living	IL0236L5T101710	14.267	216,425
The Studios (1801)	IL0222L5T101710	14.267	259,848
600 South	IL0095L5T101710	14.267	35,305
Shelter Plus Care	IL0371L5T101709	14.267	354,574
Shelter Plus Care	IL0371L5T101810	14.267	76,420
			1,293,248 *
Passed-through the City of Chicago Department of Family and Support Services			
Interim Housing West	67620 R 1	14.231	138,002
Interim Housing	85120 R 95180	14.231	223,528
			361,530
Passed-through All Chicago			
Rapid Re-Housing	67628	14.231	50,378
Rapid Re-Housing	85383	14.231	41,403
			91,781
			453,311
Passed-through the City of Chicago Department of Family and Support Services			
Interim Housing West	67616 R2	14.218	110,205
Industry-Specific Training and Placement Program (WFD)	43772 R2	14.218	37,875
Interim Housing	67616 R1	14.218	163,496
Interim Housing	85150 R 96009	14.218	221,543
Interim Housing West	67616 R4	14.218	6,808
Youth Low Threshold Overnight	80006 R1		6,807
Interim Housing	67616 R3	14.218	6,808
			553,542
Passed Through from the Greater Chicago Food Depository			
City of Chicago Produce (CDHS-PROD)		14.218	15,390
			568,932
Total U.S. Department of Housing and Urban Development			**2,315,491**
U.S. Department of Veteran Affairs			
VA Homeless Providers and Per Diem - Grant	10-804-IL	64.024	25,013
VA Homeless Providers and Per Diem - Program Income	10-804-IL		2,311
			27,324
U.S. Department of Agriculture			
Passed Through from the Greater Chicago Food Depository			
Emergency Food Assistance Program (USDA Commodities)		10.569	350,224
Passed Through from the State of Illinois, Department of Commerce and Economic Opportunity			
SNAP Employment and Training Pilots	15-762001	10.596	162,932
Total U.S. Department of Agriculture			**513,156**

A SAFE HAVEN FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2019

Federal Grantor	Annual Contribution Contract #	Program or Award CFDA#	Federal Awards Expended
U.S. Department of Health and Human Services			
Passed-through the City of Chicago Department of Family and Support Services			
Interim Housing	67619 R 1	93.569	320,940
Interim Housing	85141 R 94399	93.569	266,990
			587,930
U.S. Department of Education			
Passed Through from the Illinois Community College Board			
Adult Education and Literacy	508CA18	84.002	**38,100**
U.S. Department of Labor			
Homeless Veterans' Reintegration Program	SD-31743-18-60-5-17	17.805	6,937
Passed-through from IL Department of Commerce and Economic Opportunity			
WIOA Adult Program -Illinois Talent Pipeline	18-634032	17.258	5,902
Passed-through STRIVE International, Inc.			
STRIVE	YF-27304-15-60-A-36	17.270	14,869
Total U.S. Department of Labor			**27,708**
U.S. Department of Homeland Security			
Passed Through from the Greater Chicago Food Depository			
Emergency Food and Shelter Program (FEMA)		97.024	22,537
Total Federal Program Expenditures			**$ 3,532,246**

* Indicates major program.

A SAFE HAVEN FOUNDATION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") of A Safe Haven Foundation ("ASHF") is presented on the same basis of accounting as ASHF's consolidated financial statements. ASHF uses the accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements. Therefore, some amounts presented in the Schedule may differ from the amounts presented in, or used in the preparation of the basic consolidated financial statements.

Note 2 – Program Costs

Expenditures represent only the federally funded portions of ASHF programs. Entire program costs, including the portions funded by ASHF, may be more than shown.

Note 3 – Non-cash Awards

The amount reported for the Emergency Food Assistance Program on the Schedule is the value of food distributed and priced by the Greater Chicago Food Depository during the current year**.**

Note 4 – Sub-recipients

ASHF provided no awards to sub-recipients during the year ended June 30, 2019 with respect to the federal awards reported on the Schedule.

Note 5 – Non-cash Assistance from Federal Loans and Insurance

ASHF had no insurance provided under federal awards during the year ended June 30, 2019 or any federal loans or federal loan guarantees outstanding at June 30, 2019.

Note 6 – Indirect Cost Rate

ASHF did not elect to use the de minimis 10% rate for allocating indirect costs.

A SAFE HAVEN FOUNDATION

SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2019

	Program	Management and General	Fundraising	Total
Salaries and related expenses	$ 5,959,665	$ 1,016,939	$ 230,567	$ 7,207,171
Interest	82,013	399,602	-	481,615
Program food clothing and personal maintenance	5,189,686	-	-	5,189,686
Utilities, supplies and maintenance	1,674,591	4,949	-	1,679,540
General insurance	142,492	26,297	-	168,789
Professional fees / contract services	1,065,845	274,436	70,334	1,410,615
Office expenses	131,481	123,487	72,734	327,702
Miscellaneous	230,047	73,846	592	304,485
Catering and event planning	-	-	119,789	119,789
Telephone	24,802	1,054	1,408	27,264
Postage/printing	3,413	12,653	13,377	29,443
Transportation and travel	206,951	4,878	7,210	219,039
Total expenses before depreciation and amortization	14,710,986	1,938,141	516,011	17,165,138
Depreciation	115,113	344,939	-	460,052
Amortization	2,076	72,593	-	74,669
	$ 14,828,175	$ 2,355,673	$ 516,011	$ 17,699,859

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
A Safe Haven Foundation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of A Safe Haven Foundation ("ASHF"), which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 20, 2019.

Internal Control over Financial Reporting
In planning and performing our audit of the consolidated financial statements, we considered ASHF's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ASHF's internal control. Accordingly, we do not express an opinion on the effectiveness of ASHF's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether ASHF's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FGMK, LLC

Bannockburn, Illinois
December 20, 2019

Identifying opportunities.
Delivering solutions.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
A Safe Haven Foundation

Report on Compliance for Each Major Federal Program
We have audited A Safe Haven Foundation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on A Safe Haven Foundation's major federal program for the year ended June 30, 2019. A Safe Haven Foundation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility
Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility
Our responsibility is to express an opinion on compliance for A Safe Haven Foundation's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about A Safe Haven Foundation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the federal program. However, our audit does not provide a legal determination of A Safe Haven Foundation's compliance.

Opinion on Major Federal Program
In our opinion, A Safe Haven Foundation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance
Management of A Safe Haven Foundation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered A Safe Haven Foundation's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of A Safe Haven Foundation's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

FGMK, LLC

Bannockburn, Illinois
December 20, 2019

A SAFE HAVEN FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditors' Results

Financial Statements

The type of report issued: **Unmodified**

Internal control over financial reporting:

Material weakness(es) identified? _____ **Yes** __X__ **No**

Significant deficiencies identified? _____ **Yes** __X__ **None reported**

Noncompliance material to financial statements noted?
_____ **Yes** __X__ **None reported**

Federal Awards

Internal control over major programs:

Material weakness (es) identified? _____ **Yes** __X__ **No**

Significant deficiencies identified? _____ **Yes** __X__ **No**

Type of auditor's report issued on compliance for major programs: **Unmodified**

Any audit findings disclosed that are required to be reported in accordance with Code of Federal Regulations Section 200.516?
_____ **Yes** __X__ **No**

Identification of major programs:

CFDA Number	Name of Federal Program
14.267	Continuum of Care Program

Dollar threshold used to distinguish between Type A and Type B programs: **$ 750,000**

Auditee qualified as low-risk auditee? __X__ **Yes** _____ **No**

A SAFE HAVEN FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section II – Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

None noted

Section IV – Summary of Prior Year Audit Findings

Prior Year Finding 2018-1:
Fiscal Year in Which the Finding Initially Occurred: 2018

Original Finding Description: GAAP requires contributions to be recorded at the time when promises are made. For the year ended June 30, 2018, a multi-year pledge of $300,000 should be recorded as pledge receivable and temporarily restricted contribution. An audit adjustment was recorded to properly reflect the balances.

Status/Partial Corrective Action: Fully corrected

Identifying opportunities.
Delivering solutions.

INDEPENDENT AUDITOR'S REPORT ON OTHER FINANCIAL INFORMATION

To the Board of Directors of
A Safe Haven Foundation

We have audited the consolidated financial statements of A Safe Haven Foundation as of and for the years ended June 30, 2019 and 2018, and our report thereon dated December 20, 2019 which expressed an unmodified opinion appears on page 1. Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying financial information presented on pages 41-44, which is the responsibility of management, is presented for purposes of additional analysis, as well as to comply with certain reporting requirements of the Illinois Department of Human Services, and is not a required part of the basic consolidated financial statements. Such information was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. That information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

FGMK, LLC

Bannockburn, Illinois
December 20, 2019

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A SAFE HAVEN FOUNDATION

Grant Allowable Cost Summary

GRANT REPORT for the period 7/1/2018 - 6/30/2019

Agency Name: A Safe Haven Foundation FEIN: 364444200

		DHS Grant - Funded Services		All Other Programs	Mgmt. and General	Total
		Program 1	Program 2			
	Program Name/Number/Contract Number/Other Identification	FCSTH00217				
A	Direct Program Expense	596,367	-	18,389,405	2,376,001	21,361,773
B	Allocate Management and General Costs (Note 1)	66,332	-	2,309,669	(2,376,001)	-
C	SUBTOTAL A & B	662,699	-	20,699,074	-	21,361,773
D	Subtract Unallowable costs per page 2	63,638	-			
E	Add other approved uses (attach documentation)	-	-			
F	TOTAL Allowable Costs	599,061	-			
G	Special provisions (see instructions)	none	none			
H	Interest Earned (see instructions)	-	-			

Note 1: Management and General costs are allocated based: total direct costs.

A SAFE HAVEN FOUNDATION

State of Illinois - Department of Human Services

UNALLOWABLE COST REPORT

Agency Name· A Safe Haven Foundation

FEIN 36-4444200

	DHS Grant-Funded Services				
Program Name/Number/Contract Number	Program 1	Program 2	Program 3	Program 4	Program 5
	FCSTH00217				
Unallowable Costs (see instructions)					
Compensation of Governing Body					
Entertainment					
Association Dues					
Meetings and Conventions					
Fundraising					
Bad Debt					
Charity and Grants					
Unallowable Interest					
Inventories					
Depreciation of OHS-funded Assets					
Cost of Production					
In-Kind Expenses					
Alcoholic Beverages					
Personal Automobile					
Fines and Penalties					
Personal Use Items					
Lobbying					
Unallowable Relocation					
Gratuities					
Political Contributions					
Related Party Transactions	63,638				
Costs Where a Conflict of Interest Exists					
Unallowable Cost if Program is Federally Funded or Cost Restricted by Contract (See Instructions)					
Explain:					
Explain:					
Total Unallowable Costs (to line D of Grant Report) - See below if None	63,638				

If no unallowable costs are listed, sign and date as follows.

I certify that no unallowable costs are included in either direct costs or allocated Management and General costs on the Grant Report.

Signature: Date:

Printed Name and Title: Barbara Gorczyca, Controller

Reset Form

Page 2 of 2

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Page 1 of 1

See Independent Auditor's Report on Other Financial Information.

Illinois Grant Accountability and Transparency Act
Grantee Portal - Audit Consolidated Year-End Financial Report

Grantee Portal / Audit Reviews / Audit / CYEFR

Add a Program | Certify & Submit

	CSFA #	Program Name	$ State	$ Federal	$ Other	$ Total
View	420-30-0075	WIOA Statewide Activities - Nonformula	0	5,902	664	6,566
View	420-30-0481	Reduce Dependency and Increase Work Requirements and Work Effort Under SNAP	0	162,932	9,466	172,397
View	444-80-0658	Supportive Housing Program	499,926	0	160,079	660,005
View	684-01-1625	Adult Education - Basic Grants to States - Federal and State Funding Combined	78,350	38,100	20,241	136,691
View	684-01-1670	Innovative Bridge and Transition Program Grants	0	0	0	0
View		Other grant programs and activities		3,325,312	11,701,438	15,026,750
View		All other costs not allocated			2,363,701	2,363,701
		Totals:	578,276	3,532,246	14,255,589	18,366,111

Please note the following:

- The CYEFR may be per-populated with programs based on existing awards in the GATA system. These programs cannot be removed. If no spending occurred in a program leave the amounts at zero.
- Any grant expenditures not associated with funding received through the State of Illinois are to be entered in "Other grant programs and activities". The expenditures must be identified as federal (direct or pass-through) or other funding.
- All other expenditures not associated with state or federal dollars are to be entered in "All other costs not allocated".
- The grand total must account for all expenditures for the fiscal year and must tie to the audited financials.