

GRACE WAY VILLAGE, INC.
(A Non-Profit Corporation)

FORT PIERCE, FLORIDA

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REVIEW REPORT

For Year Ended December 31, 2017

Gerald Jackson, Jr.
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Independent Accountant's Review Report

Board of Directors
Grace Way Village, Inc.

I have reviewed the accompanying financial statements of Grace Way Village, Inc. which comprises the statement of assets, liabilities and net assets-modified cash basis as of December 31, 2017, and the related statement of activities and changes in net assets-modified cash basis, statement of functional expenses-modified cash basis, summary of designated net assets, and the related notes to the financial statements for the year then ended. A review includes primarily analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair representation of the financial statements that are free from material misstatement due to fraud or error.

Accountant's Responsibility

My responsibility is to conduct the review, in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United State of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant's Conclusion

Based on my review, I am not aware of any material modification that should be made to the accompanying financial statements in order for them to be in conformity with the modified cash basis of accounting.

Gerald Jackson Jr.

April 29, 2018

GRACE WAY VILLAGE, INC.

Statement of Assets, Liabilities and Net Assets-Modified Cash Basis December 31,2017

Assets

Current Assets:	
Cash -Operating	89,808
Total Cash- Operating	
Investments	<u>13,183</u>
Other Current Assets:	
Other Accounts Receivable	4,100
Total Other Current Assets	
Total Current Assets	107,091
Fixed Assets:	
Furniture and Equipment	37,791
Leasehold Improvements	16,535
Less: Accumulated Depreciation	(26,191)
Total Fixed Assets	28,135
<hr/>	
Total Assets	\$ 135,226
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Liabilities and Net Assets

Current Liabilities:	
Accounts Payable	43
Payroll Taxes Payable	1,895
Refundable Security Deposits	300
Total Current Liabilities	2,238
Net Assets:	
Unrestricted - Undesignated	114,026
Unrestricted - Designated	18,962
Total-Unrestricted	132,988
Total Net Assets:	132,988
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Total Liabilities and Net Assets	\$ 135,226
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Read Independent Auditor's Report and Notes to Financials.

GRACE WAY VILLAGE, INC.

Statement of Activities and Changes in Net Assets-Modified Cash Basis For Year Ended December 31, 2017

Unrestricted
Undesignated

REVENUES

Contributions	\$	48,011
Contributions- In Kind		91,861
Grants		44,794
Fundraising Events		28,729
Interest and Dividends		41
Miscellaneous Revenue		310
Rental Revenue		8,000

Total REVENUES	\$	221,746
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EXPENSES

Program services		190,537
Supporting services		33,172
<small>(see Statement of Functional Expense for detail)</small>		

TOTAL EXPENSES	\$	223,709
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Change in Unrestricted- Undesignated Net Assets

Increase (Decrease)		(1,963)
Transfer from Hopes Closet		54,661
Beginning - January 1, 2017		61,328
Ending, December 31, 2017	\$	114,026

Read Independent Auditor's Report and Notes to Financials.

Grace Way Village, Inc.
Notes to Financial Statements

NOTE 1 - NATURE OF ORGANIZATION

Grace Way Village, Inc. was incorporated in the State of Florida on May 15, 2009 as a nonprofit corporation. The primary purpose of the corporation is to provide clothing, food and other basic needs for individuals and families. The organization reaches the community through Getting Ahead, Hopes Closet for Children, Counter Culture and Matthew's Café. The organization is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code and filed form 990-EZ for the year ending December 31,2016.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared using the modified cash/tax basis of accounting which is not a basis of accounting in accordance with generally accepted accounting principles.

Fund Accounting:

The corporation uses fund accounting and has one fund –

Operating fund – At December 31, 2017 the net assets of this fund consisted of both unrestricted-undesignated funds and unrestricted-designated funds. Unrestricted-undesignated net assets are net assets available for the support of the organization's operations and may be used at the discretion of the organization's management. Unrestricted-designated net assets are net assets designated by the donors for a specific use.

Temporarily restricted net assets are either subject to donor-imposed restrictions on their use or are subject to time restrictions on their use. The organization did not have any temporarily restricted net assets at December 31, 2017.

Contributed Services:

In accordance with SFAS 116, the value of contributed professional services is recorded in the financial statements and was estimated to be \$41,935 for donated facilities and professional fees. An equal amount is recorded as an expense.

Fixed Assets:

It is the policy of the organization to record fixed assets record at cost and depreciate them over their useful lives (5 to 7 years) under the straight line method. As of December 31, 2017 fixed assets consisted of \$37,791 of furniture and equipment and \$16,535 of leasehold improvements.

Subsequent Events

Management has evaluated the existence of any subsequent events through April 29, 2018, the date the financial statements were available to be issued and none existed.

Fair Value Measurement

Under FASB ASC 820, *Fair Value Measurements and Disclosures (SFAS No. 157)*, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the most advantageous market for the asset or liability.

Grace Way Village, Inc.
Notes to Financial Statements

The organization has determined that there was no material difference between the carrying value and fair value of its financial assets and liabilities at December 31, 2017; therefore, no adjustment for the effect of FASB ASC 820 was made to the organization's financial statements at December 31, 2017.

Investments

At December 31, 2017 the organization had \$13,183 invested in a Fidelity money market fund.

GRACE WAY VILLAGE INC.

**Statement of Functional Expenses-Modified Cash Basis
For Year Ended December 31, 2017**

EXPENSES	PROGRAM SERVICES			SUPPORT SERVICES	TOTAL ALL SERVICES
	Fund Raising	Programs	TOTAL PROGRAM SERVICES	Management and General	
Business Registration Fees	\$ 0	\$ 0	\$ 0	\$ 186	\$ 186
Accounting Fees	0	0	0	3,905	3,905
Outside Contractor Services	0	0	0	988	988
Depreciation and Amortization	0	7,200	7,200	0	7,200
Donated Facilities	0	38,235	38,235	0	38,235
Equipment Rental and Maint.	0	4,215	4,215	0	4,215
Rent, Parking, and Utilities	0	14,810	14,810	0	14,810
Office Supplies	0	0	0	449	449
Postage	0	0	0	808	808
Printing & Reproduction	0	0	0	235	235
Books and Subscriptions	0	635	635	0	635
Food Purchases	0	21,287	21,287	0	21,287
Supplies and Materials	0	36,598	36,598	0	36,598
Telephone and Telecomm.	0	2,102	2,102	0	2,102
Advertising	0	578	578	0	578
Credit Card Processing Fees	0	0	0	381	381
Fundraising-Hopes Closet	1,382	0	1,382	0	1,382
Fundraising-General	4,828	0	4,828	0	4,828
Insurance	0	2,705	2,705	0	2,705
Membership and Dues	0	0	0	305	305
Other Expenses	0	1,085	1,085	0	1,085
Sponsorship	0	233	233	0	233
Volunteer Expenses	0	453	453	0	453
Salaries and Wages	0	48,839	48,839	23,535	72,374
Payroll Tax Expense	0	4,331	4,331	1,801	6,132
Workers Comp. Insurance	0	1,021	1,021	500	1,521
Conferences and Meetings	0	0	0	79	79
Total Expenses	\$ 6,210	\$ 184,327	\$ 190,537	\$ 33,172	\$ 223,709

Read Independent Auditor's Report and Notes to Financials.

GRACE WAY VILLAGE, INC.
Summary of Activity
Unrestricted - Designated Net Assets
For Year Ended December 31, 2017

<u>FUND DESCRIPTION</u>	BALANCE JANUARY 1 2017	INCREASES	DECREASES	TRANSFERS	BALANCE DECEMBER 31 2017
HOPES CLOSET	58,360	13	(3,712)	(54,661)	0
MATTHEW'S CAFÉ	8,115	3,496	(6,087)	0	5,524
FAMILY TRANS. LIVING FACILITY	0	13,438	0	0	13,438
TOTAL-	66,475	16,947	(9,799)	(54,661)	18,962

See Independent Auditor's Report and Notes to Financials.

Grace Way Village, Inc.
Adjusting Journal Entries
 December 31, 2017

9:33 AM
 04/29/18
 Accrual Basis

Date	Num	Memo	Account	Debit	Credit
12/31/2017	CPAREVIEW1	RECORD ESTIMATED 2017 DEPRECIATION RECORD ESTIMATED 2017 DEPRECIATION	62810 · Depr and Amort - Allowable 17100 · Accumulated Depreciation	7,200.00	7,200.00
12/31/2017	CPAREVIEW2	CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY CORRECT CODING OF DESIGNATED FUNDS 2017 ACTIVITY	32000 · Unrestricted Undesig. Net Assets 43450 · Individ, Business Contributions 45030 · Interest-Savings, Short-term CD 62840 · Equip Rental and Maintenance 62890 · Rent, Parking, Utilities 65010 · Books, Subscriptions, Reference 65015 · Food Purchases 65040 · Supplies and Materials 65050 · Telephone, Telecommunications 65115 · Fundraising Exp.-Hopes Closet 65160 · Other Costs 32000 · Unrestricted Undesig. Net Assets	47,412.55 16,983.94 12.91	17.50 474.22 188.75 5,981.49 2,557.03 86.71 496.23 18.75 54,559.72
TOTAL				64,359.40	71,559.40

9:34 AM
 04/29/18
 Accrual Basis

Grace Way Village, Inc.
Adjusted Trial Balance
 December 31, 2017

	Unadjusted Balance		Adjustments		Adjusted Balance	
	Debit	Credit	Debit	Credit	Debit	Credit
10000 · Cash on Hand	305.50				305.50	
10100 · TD Bank Checking	19,583.61				19,583.61	
10110 · Family Trans. Living Facility	266.00				266.00	
10155 · Matthew's Cafe Homebound	3,495.50				3,495.50	
10172 · Matthew's Cafe Grant - Allegany	2,028.72				2,028.72	
10200 · TD Bank - Debit Card	805.63				805.63	
10410 · Harbor Community Checking	46,463.48				46,463.48	
10420 · Harbor Comm. Money Market Acct	15,126.25				15,126.25	
10500 · PayPal	1,733.55				1,733.55	
14000 · Other Receivable	4,100.00				4,100.00	
15000 · Furniture and Equipment	37,791.37				37,791.37	
15900 · Leasehold Improvements	16,534.94				16,534.94	
17100 · Accumulated Depreciation		18,991.10		7,200.00		26,191.10
18001 · Investments - Undesignated	11.00				11.00	
18002 · Investments - FTLF	13,172.44				13,172.44	
20000 · Accounts Payable		42.84				42.84
24000 · Payroll Liabilities		1,897.41				1,897.41
27300 · Refundable Deposits Payable		300.00				300.00
31510 · Family Trans. Living Facility		13,438.44				13,438.44
31540 · Matthew's Cafe		5,524.22				5,524.22
32000 · Unrestricted Undesig.Net Assets		108,840.35		7,147.17		115,987.52
43330 · Foundation and Trust Grants		12,793.89				12,793.89
43340 · Nonprofit Organization Grants		32,000.00				32,000.00
43430 · Donated Prof Fees, Facilities		41,935.00				41,935.00
43440 · Gifts in Kind - Goods		49,926.04				49,926.04
43450 · Individ, Business Contributions		35,343.55	16,933.94			18,409.61
43456 · Ind., Bus. Contrib.-Appeal		7,035.00				7,035.00
43465 · Nonprofit Organization Contrib.		22,275.78				22,275.78
44820 · United Way, CFC Contributions		290.44				290.44
45020 · Dividend, Interest (Securities)		5.75				5.75
46030 · Interest-Savings, Short-term CD		48.11	12.91			35.20
46430 · Miscellaneous Revenue		200.00				200.00
47530 · Rent Revenue - Nondebt Prop		8,000.00				8,000.00
48410 · Security Sales		13,166.74				13,166.74
48420 · Cost of Security Sales	13,056.00				13,056.00	
49010 · Special Events Contributions		8,748.75				8,748.75
49030 · Hope's Closet-Donations/Sponsor		7,133.00				7,133.00
49035 · Silent Auction		2,629.00				2,629.00
49050 · Hope's Closet-Dance Tickets		2,175.00				2,175.00
49080 · Sock Hop Donations/Sponsor		6,208.25				6,208.25
49090 · Sock Hop Tickets		1,835.00				1,835.00
50920 · Business Registration Fees	186.25				186.25	
62110 · Accounting Fees	3,905.00				3,905.00	
62150 · Outside Contract Services	988.00				988.00	
62810 · Depr and Amort - Allowable			7,200.00		7,200.00	
62830 · Donated Facilities	38,235.00				38,235.00	
62840 · Equip Rental and Maintenance	4,233.26			17.50	4,215.76	
62890 · Rent, Parking, Utilities	15,284.17			474.22	14,809.95	
65010 · Books, Subscriptions, Reference	804.00			168.75	635.25	
65016 · Food Purchases	27,267.84			5,981.49	21,286.35	
65018 · Office Supplies	449.21				449.21	
65020 · Postage, Mailing Service	807.94				807.94	
65030 · Printing and Copying	235.23				235.23	
65040 · Supplies and Materials	39,155.10			2,557.03	36,598.07	
65050 · Telephone, Telecommunications	2,188.39			85.71	2,102.68	
65110 · Advertising Expenses	577.68				577.68	
65112 · Credit Card Processing Fees	380.59				380.59	
65115 · Fundraising Exp.-Hopes Closet	1,878.41			496.23	1,382.18	
65120 · Insurance - Liability, D and O	2,705.00				2,705.00	
65125 · Fundraising Expense-General	4,827.82				4,827.82	
65150 · Memberships and Dues	305.00				305.00	
65160 · Other Costs	1,103.71			18.75	1,084.96	
65165 · Sponsorship Expenses	232.50				232.50	
65175 · Volunteer Expenses	452.92				452.92	
66010 · Salaries and Wages	72,374.94				72,374.94	
66020 · Payroll Tax Expense	6,131.71				6,131.71	

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04/29/18

Accrual Basis

Grace Way Village, Inc.
Adjusted Trial Balance
December 31, 2017

	Unadjusted Balance		Adjustments		Adjusted Balance	
	Debit	Credit	Debit	Credit	Debit	Credit
66030 · Workers Comp Insurance	1,521.00				1,521.00	
68310 · Conference, Convention, Meeting	79.00				79.00	
TOTAL	400,783.66	400,783.66	24,146.85	24,146.85	398,183.98	398,183.98

9:32 AM
 04/29/18
 Accrual Basis

Grace Way Village, Inc.
Balance Sheet
 As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	
10000 · Cash on Hand	305.50
10100 · TD Bank Checking	
10110 · Family Trans. Living Facility	266.00
10155 · Matthew's Cafe Homebound	3,495.50
10172 · Matthew's Cafe Grant - Allegany	2,028.72
10100 · TD Bank Checking - Other	19,583.61
Total 10100 · TD Bank Checking	25,373.83
10200 · TD Bank - Debit Card	805.63
10410 · Harbor Community Checking	46,463.48
10420 · Harbor Comm. Money Market Acct	15,126.25
10500 · PayPal	1,733.55
Total Checking/Savings	69,808.24
Other Current Assets	
14000 · Other Receivable	4,100.00
Total Other Current Assets	4,100.00
Total Current Assets	93,908.24
Fixed Assets	
16000 · Furniture and Equipment	37,791.37
16900 · Leasehold Improvements	16,534.94
17100 · Accumulated Depreciation	-26,191.10
Total Fixed Assets	28,135.21
Other Assets	
18000 · Investment Account	
18001 · Investments - Undesignated	11.00
18002 · Investments - FTLF	13,172.44
Total 18000 · Investment Account	13,183.44
Total Other Assets	13,183.44
TOTAL ASSETS	135,226.89
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	42.84
Total Accounts Payable	42.84
Other Current Liabilities	
24000 · Payroll Liabilities	1,897.41
Total Other Current Liabilities	1,897.41
Total Current Liabilities	1,940.25
Long Term Liabilities	
27300 · Refundable Deposits Payable	300.00
Total Long Term Liabilities	300.00
Total Liabilities	2,240.25
Equity	
31500 · Unrestricted Desig. Net Assets	
31510 · Family Trans. Living Facility	13,438.44
31540 · Matthew's Cafe	5,524.22

9:32 AM
04/29/18
Accrual Basis

Grace Way Village, Inc.
Balance Sheet
As of December 31, 2017

	<u>Dec 31, 17</u>
Total 31500 · Unrestricted Desig. Net Assets	18,962.66
32000 · Unrestricted Undesig. Net Assets	115,987.52
Net Income	<u>-1,963.54</u>
Total Equity	<u>132,986.64</u>
TOTAL LIABILITIES & EQUITY	<u>135,228.89</u>

