

**ANN'S PLACE INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

**ANN'S PLACE INC.**

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**ANN'S PLACE INC.**

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**INDEPENDENT AUDITOR'S REPORT**



## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF ANN'S PLACE INC.

We have audited the accompanying financial statements of Ann's Place Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## INDEPENDENT AUDITOR'S REPORT

Continued...

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ann's Place Inc., as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Report on Summarized Comparative Information***

We have previously audited Ann's Place Inc.'s 2017 financial statements, and our report dated April 25, 2018, expressed an unmodified audit opinion on those financial statements. In our opinion the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in blue ink that reads "Hope & Hernandez P.C." with a stylized flourish at the end.

HOPE & HERNANDEZ, P.C.  
Bridgeport, Connecticut  
April 18, 2019

**ANN'S PLACE INC.**

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**FINANCIAL STATEMENTS**

**ANN'S PLACE INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2018 and 2017**

<b><u>ASSETS</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>Current Assets:</b>		
Cash	\$ 176,388	\$ 271,832
Contributions and Grants Receivable, Net	29,191	36,755
Prepaid Insurance Expense	15,356	13,893
Investments	176,567	37,999
<b>Total Current Assets</b>	<b><u>397,502</u></b>	<b><u>360,479</u></b>
<b>Property, Plant and Equipment:</b>		
Land, Building and Equipment, Net	<u>4,561,997</u>	<u>4,676,511</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 4,959,499</u></b>	<b><u>\$ 5,036,990</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 14,009	\$ 11,386
Other Accrued Expenses	15,079	11,239
Deferred Revenue	15,000	20,000
Commercial Loan - Short-Term Portion	-	113,333
<b>Total Current Liabilities</b>	<b><u>44,088</u></b>	<b><u>155,958</u></b>
<b>NET ASSETS</b>		
Without Donor Restrictions	4,885,181	4,843,888
With Donor Restrictions	30,230	37,144
<b>Total Net Assets</b>	<b><u>4,915,411</u></b>	<b><u>4,881,032</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 4,959,499</u></b>	<b><u>\$ 5,036,990</u></b>

See Accompanying Notes and Accountant's Report.

**ANN'S PLACE INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018  
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2017**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2018</u>	<u>Total 2017</u>
<b>SUPPORT AND REVENUE:</b>				
Corporate & Foundations	\$ 84,029	\$ 199,800	\$ 283,829	\$ 235,484
Individuals	331,943	12,695	344,638	404,847
Religious, Service & Civic Organizations	11,903	-	11,903	5,719
Employee Matching	8,800	-	8,800	8,501
Financial Aid Donations	-	1,800	1,800	7,270
Donated Vehicles	-	-	-	-
Fundraisers Held by Community	136,322	-	136,322	92,026
Ann's Place Fundraisers	523,634	-	523,634	492,731
Contributed Services	122,202	-	122,202	101,392
In-Kind Contributions	94,113	-	94,113	91,928
Interest & Dividend Income	1,974	-	1,974	159
Other Income	8,299	-	8,299	3,012
Net Assets Released from Restrictions	221,209	(221,209)	-	-
<b>TOTAL SUPPORT AND REVENUE</b>	<u>1,544,428</u>	<u>(6,914)</u>	<u>1,537,514</u>	<u>1,443,069</u>
<b>EXPENSES:</b>				
Program Services:				
Client Services	856,115	-	856,115	728,948
Outreach & Education	230,299	-	230,299	203,223
Total Program Services	<u>1,086,414</u>	<u>-</u>	<u>1,086,414</u>	<u>932,171</u>
Support Services:				
Management and General	116,648	-	116,648	143,632
Fundraising	299,377	-	299,377	299,619
Total Support Services	<u>416,025</u>	<u>-</u>	<u>416,025</u>	<u>443,251</u>
Total Expenses	<u>1,502,439</u>	<u>-</u>	<u>1,502,439</u>	<u>1,375,422</u>
Change in Net Assets from Operations	41,989	(6,914)	35,075	67,647
Non-Operating Activities:				
Investment Return, Net	(696)	-	(696)	545
Total Non-Operating Activities	<u>(696)</u>	<u>-</u>	<u>(696)</u>	<u>545</u>
<b>CHANGE IN NET ASSETS</b>	41,293	(6,914)	34,379	68,192
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>4,843,888</u>	<u>37,144</u>	<u>4,881,032</u>	<u>4,812,840</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 4,885,181</u>	<u>\$ 30,230</u>	<u>\$ 4,915,411</u>	<u>\$ 4,881,032</u>

See Accompanying Notes and Accountant's Report.



**ANN'S PLACE INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2018  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2017**

EXPENSES	PROGRAM SERVICES			SUPPORT SERVICES			TOTALS	
	Client Services	Outreach & Education	Totals	Management & General	Fundraising	Totals	2018	2017
Salaries	\$ 361,355	\$ 183,975	\$ 545,330	\$ 70,289	\$ 75,010	\$ 145,299	\$ 690,629	\$ 602,496
Payroll Taxes	26,598	13,289	39,887	17,528	5,500	23,028	62,915	53,005
Employee Benefits	60,125	686	60,811	(15,640)	686	(14,954)	45,857	61,953
Total Salaries & Related Expenses	448,078	197,950	646,028	72,177	81,196	153,373	799,401	717,454
Professional Fees	16,427	1,252	17,679	2,991	6,477	9,468	27,147	34,477
Program Specific Costs	55,593	-	55,593	-	-	-	55,593	25,844
Insurance	6,451	-	6,451	6,066	3,871	9,937	16,388	16,547
Tech & Communications	29,953	2,090	32,043	2,497	208	2,705	34,748	28,253
Facilities	60,513	713	61,226	10,743	713	11,456	72,682	57,876
Consumables/Copying/Printing	17,812	10,627	28,439	2,839	24,715	27,554	55,993	76,008
Staff Development/Dues & Subscriptions	3,524	1,355	4,879	134	-	134	5,013	6,203
Advertising & Event Specific Costs	195	3,845	4,040	25	171,464	171,489	175,529	169,605
Financing/Business Fees/Other	323	124	447	9,301	4,561	13,862	14,309	17,419
Contributed Services	122,202	-	122,202	-	-	-	122,202	101,392
Total Expenses Before Depreciation	761,071	217,956	979,027	106,773	293,205	399,978	1,379,005	1,251,078
Depreciation of Buildings and Equipment	95,044	12,343	107,387	9,875	6,172	16,047	123,434	124,344
<b>TOTAL EXPENSES</b>	<b>\$ 856,115</b>	<b>\$ 230,299</b>	<b>\$ 1,086,414</b>	<b>\$ 116,648</b>	<b>\$ 299,377</b>	<b>\$ 416,025</b>	<b>\$ 1,502,439</b>	<b>\$ 1,375,422</b>

See Accompanying Notes and Accountant's Report.

**ANN'S PLACE INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>2018</u>	<u>2017</u>
Change in Net Assets	\$ 34,379	\$ 68,192
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	123,434	124,344
Change in:		
Contributions, Grants and Other Receivables	7,564	(11,945)
Prepaid Expenses	(1,463)	919
Pledge Receivable	-	20,000
Accounts Payable and Other Accrued Expenses	6,463	2,312
Deferred revenue	(5,000)	20,000
Prepaid Client Tracking System	-	-
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>165,377</u>	<u>223,822</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Commercial Loan Activity	(113,333)	(40,000)
Credit Line Repayment	-	-
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>(113,333)</u>	<u>(40,000)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(138,567)	(36,562)
Acquisition of Fixed Assets	(8,921)	-
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>(147,488)</u>	<u>(36,562)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>(95,444)</u>	<u>147,260</u>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>271,832</u>	<u>124,572</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 176,388</u>	<u>\$ 271,832</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid During the Year for:		
Interest	\$ 1,682	\$ 4,599
Income Taxes	\$ -	\$ -

See Accompanying Notes and Accountant's Report.

**ANN'S PLACE INC.**

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**NOTES TO THE FINANCIAL STATEMENTS**

**ANN'S PLACE INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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**NOTE 1 - STATEMENT OF PURPOSE**

Ann's Place Inc. provides men, women, children and their loved ones in our community with critical services during their cancer journey. We are honored to provide all of our services free of charge to every member of our community. As a nonprofit agency, Ann's Place Inc. helps inspire people to create a pathway through cancer that strengthens and sustains them, and improves their quality of life. We provide professional and compassionate support services to individuals and families through counseling led by professional and licensed clinical social workers. These services are complemented by 15 Support Groups focusing on specific areas of concern for cancer patients and their loved ones. In addition, we offer an extensive range of Wellness Program activities. Ann's Place Inc. is also involved in community outreach, education, and regularly presents speakers who address cancer issues of client concern, advances in diagnosis and treatment, as well as wellness education.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Accounting Policies**

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These assumptions include but are not limited to the depreciable lives of long-lived assets and allocation of functional expenses. Actual results could differ from those estimates.

**Support and Revenue Recognition**

Revenues and expenses are recognized on the accrual basis of accounting which recognizes revenues when earned and expenses when incurred.

**Basis of Presentation**

Ann's Place Inc.'s financial statements have been prepared in accordance with U.S. generally accepted accounting principles, which require the Agency to report information regarding its financial position and activities according to the following net asset classifications:

**ANN'S PLACE INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – Continued

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Agency's management and the board of directors.

**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 Agency or by the passage of time. Other donor restrictions can be perpetual in nature, where by the donor has stipulated that the funds be maintained in perpetuity. Ann's Place Inc. does not have any perpetual type net assets at December 31, 2018.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

**Measure of Operations**

The statement of activities reports all changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Agency's ongoing programs and interest and dividends earned on investments. Non-operating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

**Contributions**

Unconditional contributions received or promises to give without donor imposed restrictions are reflected as unrestricted support. Unconditional contributions received or promises to give with donor imposed restrictions are reflected as either Temporarily or Permanently restricted support based upon the respective restrictions. Ann's Place Inc. reports gifts of cash, stock, and fixed assets as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

**ANN'S PLACE INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**In-kind Contributions**

In-kind contributions represent the value of donated supplies, materials and equipment and are recorded when these contributions are both specifically identifiable and can be objectively valued in monetary terms (fair market value, as determined by management).

**Contributed and Volunteer Services**

Ann's Place Inc. recognized Contributed Services revenue and expense for certain services received at the fair market value of such services. Recognized services were recorded as revenue and expense in the Client Services program as follows:

Art, Movement, Music, Needlework, Nutrition, Reiki, Speaker Series and Yoga	1,333.42 hours X \$55 per hour = \$73,338
Creative, Family, Horticultural, Memorial, Partnership, Speaker Series and Support Group Programs	610.80 hours X \$80 per hour = \$48,864
	<u>\$122,202</u>

Volunteer services have not been reflected in the accompanying financial statements because such services do not require specialized skills and therefore no objective basis is available to measure the value of such services. Many individuals volunteer their time and perform a variety of tasks.

**Cash and Cash Equivalents**

Ann's Place Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Fixed Assets and Accumulated Depreciation**

Fixed assets are recorded at cost and include expenditures that naturally increase values or extend useful lives. Contributed assets are recorded at their fair market value at the date of receipt as determined by the Agency. Depreciation is computed over the estimated useful lives of the assets, which range from 5 to 39 years, using the straight-line method for financial and tax reporting purposes. Expenditures in the nature of normal repairs and maintenance are charged to operations as incurred.

**ANN'S PLACE INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – Continued

**Functional Expenses**

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities and presented in detail in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Employee Benefits	Square Footage
IT Support	Square Footage
President/CEO's Salary	Time and Effort
Accounting & Contract Manager's Salary	Time and Effort
Occupancy	Square Footage
Depreciation	Square Footage
Office Supplies, Postage & Copying	Square Footage

**New Accounting Pronouncement**

On August 18, 2016, FASB issued ASU 2016-4, Not-For-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Agency has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

**Reclassifications**

Certain prior year amounts have been reclassified to conform to the current year presentation.

**Subsequent Events**

Date of Management Evaluation - Management has evaluated subsequent events through

**ANN'S PLACE INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**Subsequent Events - Continued**

April 18, 2019, the date on which the financial statements were available to be issued. Management has not identified any significant subsequent events requiring disclosure.

**NOTE 3 – AVAILABILTY AND LIQUIDITY**

The following represents Ann's Place Inc.'s financial assets at December 31, 2018 and 2017.

Financial assets at year end:	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 176,388	\$ 271,832
Contributions and grants receivable	29,191	36,755
Investments	<u>176,567</u>	<u>37,999</u>
Total Financial Assets	\$ 382,146	\$ 346,586
Less amounts not available to be used within one year	-0-	-0-
Financial assets available to meet general expenditures over the next twelve months	\$ <u>382,146</u>	\$ <u>346,586</u>

Ann's Place Inc. has a \$125,000 line of credit available to meet cash flow needs.

**NOTE 4 - INCOME TAXES**

Ann's Place Inc. (a Connecticut Corporation) is a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code and applicable state statutes and generally is not subject to income taxes. The entity is not aware of any activities that would jeopardize its tax-exempt status. As of December 31, 2018, the Agency had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements and does not expect this to change in the next twelve months. The 2015 through 2018 tax years remain subject to examination by the Internal Revenue Service.

**NOTE 5 - ACCOUNTS RECEIVABLE**

Contributions, Grants and Other Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of



**ANN'S PLACE INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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**NOTE 5 - ACCOUNTS RECEIVABLE - Continued**

individual accounts. The allowance balances are \$0 at December 31, 2018 and December 31, 2017.

**NOTE 6 - INVESTMENTS - FAIR VALUE MEASUREMENTS**

The Agency's investments are reported at fair value in accordance with FASB ASC 820 in the accompanying statement of financial position at December 31, 2018 as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets Level 1
Cash & Cash Equivalents	\$ 95,111	\$ 95,111
Equities	9,547	9,547
Fixed Income	19,987	19,987
Mutual Funds	51,922	51,922
Total	<u>\$ 176,567</u>	<u>\$ 176,567</u>

FASB ASC 820 Fair Value Measurements establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The three levels of the fair value hierarchy under FASB ASC 820 are described below:

**Basis of Fair Value Measurement**

- Level 1      Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2      Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3      Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

**ANN'S PLACE INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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NOTE 6 - INVESTMENTS - FAIR VALUE MEASUREMENTS - Continued

Level 1 - Fair Value Measurements

The Agency's equities are valued using the net asset value of shares held at year end. The net asset value is quoted in an active market. The class of assets shown are the class of assets reported by the various funds.

NOTE 7 - LAND, BUILDING AND EQUIPMENT, NET

Below is a summary of the Agency's fixed assets at December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Land	\$1,050,000	\$1,050,000
Building	3,972,478	3,972,478
Artwork	218,957	218,957
Office Equipment	61,183	52,262
Furniture and Fixtures	61,827	61,827
Software	<u>65,748</u>	<u>65,748</u>
Sub-Total	5,430,193	5,421,272
Less: Accumulated Depreciation	<u>( 868,196)</u>	<u>( 744,761)</u>
<b>TOTAL</b>	<b><u>\$4,561,997</u></b>	<b><u>\$4,676,511</u></b>

NOTE 8 - LINE OF CREDIT

The Agency has a \$125,000 line of credit with the Savings Bank of Danbury, secured by a first security interest on Ann's Place Inc.'s business assets. As of December 31, 2018 and 2017, the credit line balance outstanding is \$0.

NOTE 9 - NET ASSETS

Net assets with donor restrictions were as follows for the years ended December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Specific Purpose		
Client Aid	\$ 15,230	\$ 37,144
Speaker Series	<u>15,000</u>	<u>-0-</u>
<b>Total</b>	<b><u>\$ 30,230</u></b>	<b><u>\$ 37,144</u></b>

**ANN'S PLACE INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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**NOTE 10 - EMPLOYEE BENEFITS**

Deferred Compensation Plan - The Agency maintains a pre-tax 403B savings plan administered through AXA Advisors, LLC, open to all employees. Although it may elect to do so, since its inception, Ann's Place Inc. has not made any contributions to the plan.

**NOTE 11 - OPERATING LEASE**

In December, 2014 Ann's Place Inc. entered into a 60 month operating lease for a copier/fax machine. Monthly lease payments are \$598. Minimum lease payments for the operating lease at December 31, 2018 are as follows:

2019	\$ 6,578
Thereafter	<u>-0-</u>
	<u>\$ 6,578</u>

On October 20, 2013 Ann's Place Inc. entered into a 51 month operating lease for a postage machine. Quarterly lease payments are \$157. The lease expired during 2018 and continues on a month to month basis.

**NOTE 12 - COMPARATIVE FINANCIAL STATEMENTS**

The financial statements include certain prior year summarized comparative information in total but not by net asset category or functional expense category. Such information does not include sufficient detail to constitute a presentation in accordance with generally accepted accounting principles. Accordingly, such prior year information should be read in conjunction with Ann's Place Inc's financial statements for the year ended December 31, 2017, from which the summarized information was derived.