



**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

**Consolidated Financial Statements
and
Independent Auditors' Report
June 30, 2017 and 2016**

EKS&H

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Laradon Hall Society for Exceptional Children and Adults and Subsidiary
Denver, Colorado

We have audited the accompanying consolidated financial statements of Laradon Hall Society for Exceptional Children and Adults and Subsidiary, which are comprised of the consolidated statements of financial position as of June 30, 2017 and 2016, 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.

AUDITORS' 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. Those standards require that we plan and perform the audit 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 auditors' 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 auditors consider 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 Laradon Hall Society for Exceptional Children and Adults and Subsidiary as of June 30, 2017 and 2016, and the changes in their net assets and their 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 audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The summary of unrestricted support, revenue, and expenses by program - based on internal management reporting is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The consolidating statements are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, change in net assets, and cash flows of the individual entities and are 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 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, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

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September 28, 2017
Denver, Colorado

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Consolidated Statements of Financial Position

	June 30,	
	2017	2016
Assets		
Current assets		
Cash and cash equivalents	\$ 486,019	\$ 147,779
Cash held for participants	29,731	19,372
Investments	9,158,844	9,757,593
Accounts receivable, net of allowance for uncollectible accounts of \$20,141 (2017) and \$15,756 (2016)	662,396	509,431
Grants and other receivables	110,301	54,971
Prepaid expenses	45,820	56,033
Total current assets	10,493,111	10,545,179
Long-term grants receivable, net of current portion	-	50,000
Property and equipment, net	3,875,564	4,164,641
Total assets	\$ 14,368,675	\$ 14,759,820
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 179,440	\$ 187,634
Accrued liabilities	559,733	501,198
Due to participants	29,731	19,372
Deferred revenue	58,352	112,939
Total liabilities	827,256	821,143
Commitments and contingencies		
Net assets		
Unrestricted		
Designated	177,758	153,587
Undesignated	13,309,041	13,684,620
Total unrestricted	13,486,799	13,838,207
Temporarily restricted	54,620	100,470
Total net assets	13,541,419	13,938,677
Total liabilities and net assets	\$ 14,368,675	\$ 14,759,820

See notes to consolidated financial statements.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Consolidated Statements of Activities

	For the Years Ended					
	June 30, 2017			June 30, 2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Support, revenue, and other gains						
Fees and grants from governmental agencies	\$ 10,213,385	\$ -	\$ 10,213,385	\$ 8,264,460	\$ -	\$ 8,264,460
Public support	677,479	4,620	682,099	354,959	150,000	504,959
Rental income, net of expenses of \$43,763 (2017) and \$45,597 (2016)	67,693	-	67,693	62,619	-	62,619
Investment income (loss)	956,799	-	956,799	(31,847)	-	(31,847)
Other	73,272	-	73,272	80,490	-	80,490
Net assets released from restrictions						
Satisfaction of program and time restrictions	50,470	(50,470)	-	80,000	(80,000)	-
Release of Laradon Hall Foundation net assets upon consolidation	-	-	-	9,062,521	(9,062,521)	-
Total support, revenue, and other gains	<u>12,039,098</u>	<u>(45,850)</u>	<u>11,993,248</u>	<u>17,873,202</u>	<u>(8,992,521)</u>	<u>8,880,681</u>
Expenses						
Program services						
Children services						
Family/infant/toddler	324,903	-	324,903	274,823	-	274,823
School	4,373,496	-	4,373,496	3,635,731	-	3,635,731
Adult services						
Day program	3,781,518	-	3,781,518	3,816,056	-	3,816,056
Community living services	<u>2,469,659</u>	<u>-</u>	<u>2,469,659</u>	<u>1,817,304</u>	<u>-</u>	<u>1,817,304</u>
Total program services	<u>10,949,576</u>	<u>-</u>	<u>10,949,576</u>	<u>9,543,914</u>	<u>-</u>	<u>9,543,914</u>
Supporting services						
General and administration	1,038,883	-	1,038,883	669,953	-	669,953
Fundraising	<u>360,495</u>	<u>-</u>	<u>360,495</u>	<u>228,978</u>	<u>-</u>	<u>228,978</u>
Total supporting services	<u>1,399,378</u>	<u>-</u>	<u>1,399,378</u>	<u>898,931</u>	<u>-</u>	<u>898,931</u>
Total expenses	<u>12,348,954</u>	<u>-</u>	<u>12,348,954</u>	<u>10,442,845</u>	<u>-</u>	<u>10,442,845</u>
Changes in net assets before storm damage and relocation expenses	(309,856)	(45,850)	(355,706)	7,430,357	(8,992,521)	(1,562,164)
Storm damage expense, net of insurance recovery	4,051	-	4,051	-	-	-
Relocation expenses	<u>(45,603)</u>	<u>-</u>	<u>(45,603)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net assets	(351,408)	(45,850)	(397,258)	7,430,357	(8,992,521)	(1,562,164)
Net assets at beginning of year	<u>13,838,207</u>	<u>100,470</u>	<u>13,938,677</u>	<u>6,407,850</u>	<u>9,092,991</u>	<u>15,500,841</u>
Net assets at end of year	<u>\$ 13,486,799</u>	<u>\$ 54,620</u>	<u>\$ 13,541,419</u>	<u>\$ 13,838,207</u>	<u>\$ 100,470</u>	<u>\$ 13,938,677</u>

See notes to consolidated financial statements.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

**Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2017**

	Program Services				Supporting Services			Total Expenses	
	Family/Infant/ Toddler	School	Adult Day Program	Community Living Services	Total Program Services	General and Administration	Fundraising		Total Supporting Services
Direct operating expenses									
Personnel services									
Salaries	\$ 258,860	\$ 3,048,125	\$ 2,393,046	\$ 783,589	\$ 6,483,620	\$ 417,876	\$ 208,351	\$ 626,227	\$ 7,109,847
Payroll taxes	18,717	224,726	171,472	55,907	470,822	28,328	16,129	44,457	515,279
Employee benefits	26,870	559,419	459,306	123,098	1,168,693	76,789	17,222	94,011	1,262,704
Total personnel services	304,447	3,832,270	3,023,824	962,594	8,123,135	522,993	241,702	764,695	8,887,830
Contract services	550	11,853	31,396	1,296,611	1,340,410	1,013	177	1,190	1,341,600
Professional services	817	90,163	44,715	41,526	177,221	139,344	72,401	211,745	388,966
Staff development	501	13,448	17,776	8,593	40,318	14,304	778	15,082	55,400
Staff travel	5,696	6,885	27,907	9,885	50,373	1,881	1,259	3,140	53,513
Vehicles	-	14,800	184,069	13,924	212,793	6,341	-	6,341	219,134
Occupancy									
Maintenance	735	87,311	69,759	28,545	186,350	66,802	265	67,067	253,417
Utilities	609	51,113	60,202	10,649	122,573	49,449	238	49,687	172,260
Equipment maintenance	799	45,917	39,710	15,808	102,234	41,246	2,409	43,655	145,889
Office supplies	757	37,000	35,066	15,081	87,904	9,243	4,074	13,317	101,221
Program supplies	6,317	47,077	9,399	6,495	69,288	11,296	10,196	21,492	90,780
Postage and shipping	15	592	1,576	250	2,433	1,850	1,322	3,172	5,605
Telephone and internet	2,188	3,371	14,821	6,177	26,557	3,019	620	3,639	30,196
Dues, fees, and licenses	165	7,750	14,366	3,330	25,611	16,758	2,285	19,043	44,654
Food	71	34,559	6,086	9,165	49,881	4,205	2,172	6,377	56,258
Insurance	335	13,051	38,097	5,147	56,630	46,336	-	46,336	102,966
Other	263	10,267	12,644	9,564	32,738	15,263	20,597	35,860	68,598
Total direct operating expenses	324,265	4,307,427	3,631,413	2,443,344	10,706,449	951,343	360,495	1,311,838	12,018,287
Depreciation	638	66,069	150,105	26,315	243,127	87,540	-	87,540	330,667
Total expenses	<u>\$ 324,903</u>	<u>\$ 4,373,496</u>	<u>\$ 3,781,518</u>	<u>\$ 2,469,659</u>	<u>\$ 10,949,576</u>	<u>\$ 1,038,883</u>	<u>\$ 360,495</u>	<u>\$ 1,399,378</u>	<u>\$ 12,348,954</u>

See notes to consolidated financial statements.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

**Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2016**

	Program Services				Supporting Services			Total Expenses	
	Family/Infant/ Toddler	School	Adult Day Program	Community Living Services	Total Program Services	General and Administration	Fundraising		Total Supporting Services
Direct operating expenses									
Personnel services									
Salaries	\$ 217,954	\$ 2,414,464	\$ 2,358,681	\$ 395,973	\$ 5,387,072	\$ 253,463	\$ 170,015	\$ 423,478	\$ 5,810,550
Payroll taxes	15,905	176,405	170,605	28,876	391,791	17,639	12,493	30,132	421,923
Employee benefits	24,728	488,192	450,169	57,611	1,020,700	52,172	12,842	65,014	1,085,714
Total personnel services	<u>258,587</u>	<u>3,079,061</u>	<u>2,979,455</u>	<u>482,460</u>	<u>6,799,563</u>	<u>323,274</u>	<u>195,350</u>	<u>518,624</u>	<u>7,318,187</u>
Contract services	670	36,803	38,471	1,115,294	1,191,238	21,088	206	21,294	1,212,532
Professional services	166	63,853	61,477	28,952	154,448	96,596	8,450	105,046	259,494
Staff development	-	16,214	17,328	6,585	40,127	2,699	1,132	3,831	43,958
Staff travel	9,049	1,810	29,485	8,003	48,347	681	1,382	2,063	50,410
Vehicles	-	22,392	194,936	3,155	220,483	6,716	-	6,716	227,199
Occupancy									
Maintenance	785	95,544	80,117	8,441	184,887	69,168	249	69,417	254,304
Utilities	419	50,560	56,376	14,260	121,615	27,880	227	28,107	149,722
Equipment maintenance	218	59,574	64,229	39,001	163,022	40,181	1,142	41,323	204,345
Office supplies	318	28,638	29,131	11,815	69,902	11,977	1,405	13,382	83,284
Program supplies	2,625	16,492	10,312	1,534	30,963	-	2,525	2,525	33,488
Postage and shipping	-	903	1,783	1,114	3,800	692	1,890	2,582	6,382
Telephone and internet	1,880	3,480	12,340	3,094	20,794	775	635	1,410	22,204
Dues, fees, and licenses	-	7,775	13,725	7,560	29,060	5,134	2,625	7,759	36,819
Food	67	29,462	4,853	2,437	36,819	1,514	944	2,458	39,277
Insurance	-	21,614	43,226	27,018	91,858	16,212	-	16,212	108,070
Other	39	12,141	12,653	6,359	31,192	2,559	10,816	13,375	44,567
Total direct operating expenses	<u>274,823</u>	<u>3,546,316</u>	<u>3,649,897</u>	<u>1,767,082</u>	<u>9,238,118</u>	<u>627,146</u>	<u>228,978</u>	<u>856,124</u>	<u>10,094,242</u>
Depreciation	-	89,415	166,159	50,222	305,796	42,807	-	42,807	348,603
Total expenses	<u>\$ 274,823</u>	<u>\$ 3,635,731</u>	<u>\$ 3,816,056</u>	<u>\$ 1,817,304</u>	<u>\$ 9,543,914</u>	<u>\$ 669,953</u>	<u>\$ 228,978</u>	<u>\$ 898,931</u>	<u>\$ 10,442,845</u>

See notes to consolidated financial statements.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Consolidated Statements of Cash Flows

	For the Years Ended	
	June 30,	
	2017	2016
Cash flows from operating activities		
Change in net assets	\$ (397,258)	\$ (1,562,164)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	330,667	348,603
Provision for bad debt	4,385	(5,992)
Realized and unrealized (gain) loss on investments	(676,018)	510,758
Gain on disposal of assets	(4,250)	(9,472)
Changes in assets and liabilities		
Accounts receivable	(157,350)	199,737
Grants and other receivables	(5,330)	(86,520)
Prepaid expenses	10,213	(33,695)
Accounts payable	(8,194)	67,942
Accrued liabilities	58,535	57,892
Deferred revenue	(54,587)	48,371
Net cash used in operating activities	(899,187)	(464,540)
Cash flows from investing activities		
Cash paid to purchase fixed assets and construction in progress	(41,590)	(438,545)
Proceeds from disposal of assets	4,250	13,628
Cash paid to purchase investments	(7,747,652)	(2,405,802)
Net proceeds from the sale of investments	9,022,419	3,216,814
Net cash provided by investing activities	1,237,427	386,095
Net increase (decrease) in cash and cash equivalents	338,240	(78,445)
Cash and cash equivalents at beginning of year	147,779	22,864
Laradon Foundation cash balance recognized upon consolidation (Note 6)	-	203,360
Cash and cash equivalents at end of year	\$ 486,019	\$ 147,779

See notes to consolidated financial statements.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies

Organization

Laradon Hall Society for Exceptional Children and Adults ("Laradon") is a non-profit corporation organized under the laws of the state of Colorado for the purposes of assisting developmentally disabled individuals to develop their capabilities to the maximum level of achievement possible and to deal effectively in the social environment and achieve self-sufficiency. The Laradon Foundation, Inc. (the "Foundation") was established to raise funds to support the operation of Laradon. Collectively, they are referred to as the "Organization." The Organization is the major project of the Colorado Elks Association. See Note 6 for information on change in accounting presentation.

Description of Program Services

Family/Infant/Toddler Services

The Family, Infant, and Toddler program offers therapeutic services for children from birth to age three who have developmental disabilities or are identified as being at risk for developmental delays. Educational, therapeutic, and support services are provided to the families in their homes.

School

The Organization's Alternative School program offers a specialized curriculum designed to meet the needs of students who are between the ages of 5 and 21 with a dual diagnosis of a developmental disability and a psychiatric/behavioral disorder. Every student has an individualized education plan tailored to his or her specific needs. Instructional focus is on functional academics in accordance with the Colorado Department of Education standards and teaches skills that contribute to each student's ability to function in real-life situations at home, school, work, and in the community. Based on their unique needs, students receive occupational therapy, speech/language therapy, music education, and adaptive physical education. Equally strong components of the Alternative School's curriculum are behavioral and mental health services. Students receive group psychotherapy and have individualized positive behavior intervention programs.

Adult Day Services

The Organization's Day Program Services for Adults consist of a broad array of programs designed to help people with developmental disabilities maximize their full potential. The goal is to assist individuals in developing connections in their communities by providing opportunities, experiences, personal security, and self-respect. These programs offer a variety of services for adults with developmental disabilities, including individual and group employment services, programs for seniors, and programs for adults with serious and chronic medical conditions. The Organization also operates a Ticket to Work program for Social Security beneficiaries who are interested and motivated to return to work.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Description of Program Services (continued)

Community Living Services

Laradon's Community Living Services program provides three different programs within the department. This includes Shared Living through the Host Home model, Independent Living, and Family Caregiver. The Host Home program provides individualized services and supports to adult individuals in host homes throughout the Denver metropolitan area. The individuals may live with an individual or family and experience a family or roommate-like atmosphere. The Host Home providers contract with the Organization to provide one or two individuals with 24-hour services and support based on their individual needs and have a wide variety of skill levels. Services and support provided include assistance in the following areas: medication administration, health and medical, domestic skills, personal hygiene, money management, behavioral services, recreation, leisure, and community involvement.

Laradon's Independent Living Program offers services in the homes of individuals who have the skills and wish to live more independently. Staff assist with tasks such as filling medical boxes, scheduling appointments, money management, cleaning, and meal planning.

Laradon's Family Caregiver Program allows individuals to receive their services directly from a family member, with paid support. Paid support may include housekeeping, bathing, dressing, and meal planning.

The Organization provides training, monitoring, consultation, and support to the provider and family member providing service to the individual.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Laradon and its supporting organization, the Foundation. All material intercompany balances and transactions have been eliminated in consolidation.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The fund balances and consolidated statements of activities of the Organization are reported separately by class of net asset:

Unrestricted net assets are those currently available at the discretion of the Board of Directors for use in the Organization's exempt purpose and those resources invested in property and equipment.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
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Notes to Consolidated Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Temporarily restricted net assets are those that are restricted by donors for operating purposes, use in a specified future period, or acquisition of long-lived assets.

Permanently restricted net assets are those amounts that must be maintained permanently by the Organization as required by the donor, but the Organization may be permitted to use or expend part or all of any income derived from those assets. The Organization did not have any permanently restricted net assets as of June 30, 2017 and 2016.

Recently Issued Accounting Standards

In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendment applies to all not-for-profit entities. The amendment reduces the classes of net assets to net assets with donor restrictions and net assets without donor restrictions; removes the reconciliation of cash flows to the indirect method if using the direct method; requires the reporting of investment returns, net of expenses, with no disclosure of netted expenses required; requires the use, in the absence of explicit donor stipulations, of the placed-in-service approach for reporting expirations of restrictions on cash or other asset donations; and requires disclosure of expenses by both their natural and functional classification on the face of the statement of activities, as a separate statement, or in the notes to the financial statements. In addition, the amendment provides enhanced disclosures on amounts and purposes of board designations and appropriations, composition of net assets with donor restrictions, discussion of liquidity for the year following year-end, discussion of liquidity of financial assets at year-end, methodology used to allocate costs between program and support functions, and underwater endowment funds. The amendment is effective for all fiscal years beginning after December 15, 2017, with early adoption allowed. Entities should apply the amendment in this update retrospectively to all periods presented.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which amended revenue recognition guidance to clarify the principles for recognizing revenue from contracts with customers. The guidance requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required about customer contracts, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract. ASU No. 2014-09 is effective for annual reporting in fiscal years beginning after December 15, 2018.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
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Notes to Consolidated Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Recently Issued Accounting Standards (continued)

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. The new standard establishes a right-of-use ("ROU") model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available.

The Organization is currently evaluating the impacts of the pending adoption of the new standards on its consolidated financial statements.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments generally having a maturity date of three months or less from the date of purchase to be cash equivalents, unless held within the investment portfolio. Cash held for participants is not considered cash and cash equivalents and is not available for use by the Organization.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are recorded at fair value using quoted market prices where available. Investment income (including realized and unrealized gains and losses on investments, interest, and dividends) is recorded in the accompanying consolidated statements of activities as unrestricted investment income unless restricted by donor or law.

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of money market accounts and investment securities. The Organization places its temporary cash and money market accounts with creditworthy, high-quality financial institutions.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
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Notes to Consolidated Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Accounts Receivable

The Organization provides services to developmentally disabled persons within the state. The accounts receivable balance constitutes amounts due from governmental programs, other non-profit organizations, purchasers of client services, and other entities. The Organization provides an allowance for uncollectible accounts, which is based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Delinquent receivables are allowed for or written off based on individual credit evaluation and specific circumstances of the customer.

Grants Receivable

Grants receivable consist of unconditional promises to give and are recorded at their net present value in the year made. No provision for uncollectible accounts has been made because the amount is expected to be insignificant.

Property and Equipment

Expenditures for land, buildings, and equipment greater than \$10,000 are capitalized at cost. Donated assets to be used by the Organization are capitalized at their fair value on the date of the gift. Depreciation of buildings and equipment is computed on the straight-line method over the estimated useful lives of the assets, which range from 5 to 30 years.

Long-Lived Assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recovered. The Organization looks primarily to the undiscounted future cash flows in its assessment of whether or not long-lived assets have been impaired. No impairment was recorded at June 30, 2017 and 2016.

Recognition of Services Revenue

Revenues from services are recognized by the Organization upon the completion of the service. Amounts received in advance are deferred until the time they are earned.

Contributions

All contributions are considered to be available for the general programs of the Organization unless specifically restricted by the donor. The Organization reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When the donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions. Restricted contributions and income whose restrictions are met in the same reporting period are reported as unrestricted support.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing various programs and supporting activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited and reported in the consolidated statements of functional expenses.

Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code") and comparable state law, and contributions to the Organization are tax deductible within the limitations prescribed by the Code. Income from activities not directly related to the Organization's tax-exempt purposes are subject to taxation as unrelated business income. There were no income taxes from unrelated business activities during the years ended June 30, 2017 and 2016.

The Organization applies a more-likely-than-not measurement methodology to reflect the financial statement impact of tax positions taken or expected to be taken in a tax return. After evaluating the tax positions taken, none are considered to be uncertain; therefore, no amounts have been recognized as of June 30, 2017 or 2016. If incurred, interest and penalties associated with tax positions are recorded in the period assessed as general and administration expenses. No interest or penalties have been assessed as of June 30, 2017 or 2016.

Subsequent Events

The Organization has evaluated all subsequent events through the auditors' report date, which is the date the consolidated financial statements were available to be issued.

Reclassifications

Certain amounts in the 2016 consolidated financial statements have been reclassified to conform to the 2017 presentation.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 2 - Investments

Investments are stated at fair value and are summarized as follows:

	<u>June 30,</u>	
	<u>2017</u>	<u>2016</u>
Exchange-traded funds	\$ 4,575,891	\$ -
Corporate bonds and notes	2,136,207	-
Common stock	1,571,208	-
Mutual funds	565,112	9,415,154
Cash	185,473	342,439
Government securities	<u>124,953</u>	<u>-</u>
Total investments	<u>\$ 9,158,844</u>	<u>\$ 9,757,593</u>

Investment income consists of the following:

	<u>For the Years Ended</u> <u>June 30,</u>	
	<u>2017</u>	<u>2016</u>
Dividends and interest	\$ 280,781	\$ 478,911
Realized and unrealized gain (loss) on investments	<u>676,018</u>	<u>(510,758)</u>
Total investment income (loss)	<u>\$ 956,799</u>	<u>\$ (31,847)</u>

Note 3 - Fair Value Measurements

The Organization has adopted the methods of fair value as defined by GAAP to value its financial assets and liabilities. Fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, GAAP establishes a fair value hierarchy that prioritizes observable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable prices that are based on inputs not quoted on active markets, but are corroborated by market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 3 - Fair Value Measurements (continued)

In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value. These classifications (Levels 1, 2, and 3) are intended to reflect the observability of inputs used in the valuation of investments and are not necessarily an indication of risk or liquidity.

Following is a description of the valuation methodologies used for assets measured at fair value:

Exchange-traded funds, common stock, and mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded.

Corporate bonds and notes and government securities: Valued based on yields currently available on comparable securities of issuers with similar credit ratings.

There were no changes in valuation techniques during the year.

Financial assets carried at fair value as of June 30, 2017 are classified in the table below in one of the three categories described above:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Exchange-traded funds	\$ 4,575,891	\$ -	\$ -	\$ 4,575,891
Corporate bonds and notes	-	2,136,207	-	2,136,207
Common stock	1,571,208	-	-	1,571,208
Mutual funds	565,112	-	-	565,112
Government securities	-	124,953	-	124,953
Total assets at fair value	<u>\$ 6,712,211</u>	<u>\$ 2,261,160</u>	<u>\$ -</u>	<u>\$ 8,973,371</u>

Financial assets carried at fair value as of June 30, 2016 are classified in the table below in one of the three categories described above:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Mutual funds	<u>\$ 9,415,154</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,415,154</u>
Total assets at fair value	<u>\$ 9,415,154</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,415,154</u>

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 4 - Grants Receivable

Grants receivable consist of the following:

	June 30,	
	2017	2016
Due in less than one year	\$ 50,000	\$ 50,000
Due in one to five years	-	50,000
	50,000	100,000
Less current portion	(50,000)	(50,000)
Long-term grants receivable	\$ -	\$ 50,000

The Organization has determined that the discount on long-term grants receivable is insignificant to the consolidated financial statements; therefore, no discounts have been recorded as of June 30, 2017 and 2016.

One donor accounted for 100% of the Organization's grants receivable as of June 30, 2017 and 2016.

Grants and other receivables on the consolidated statements of financial position include \$60,301 and \$4,971 of other receivables as of June 30, 2017 and 2016, respectively.

Note 5 - Property and Equipment

The Organization's property and equipment are comprised of the following:

	June 30,	
	2017	2016
Buildings	\$ 4,004,663	\$ 4,004,663
Improvements	3,093,713	3,093,713
Land	1,859,475	1,859,475
Furniture and equipment	774,878	774,879
Motor vehicles	720,817	746,425
	10,453,546	10,479,155
Less accumulated depreciation	(6,577,982)	(6,314,514)
	\$ 3,875,564	\$ 4,164,641

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 6 - Presentation of the Laradon Foundation

Prior to July 1, 2015, in accordance with GAAP, Laradon included its interest in the net assets of the Foundation in the consolidated financial statements of the Organization as they were financially interrelated organizations. Effective July 1, 2015, the Foundation's by-laws were amended in order to give Laradon approval over the Foundation's Board appointments; therefore, under GAAP, the accounts of the Foundation are now combined with Laradon's in the accompanying consolidated financial statements.

Note 7 - Net Assets

Net assets are temporarily restricted for the following purposes or for use in a future period:

	<u>June 30,</u>	
	<u>2017</u>	<u>2016</u>
Grants receivable	\$ 50,000	\$ 100,000
Capital campaign	4,620	-
Satellite program	<u>-</u>	<u>470</u>
	<u>\$ 54,620</u>	<u>\$ 100,470</u>

The Organization's Board of Directors has designated \$100,000 for school curriculum purposes. The principal is to be maintained, and earnings on the investment are available for the designated purpose. The designated balance net of investment earnings totaled \$177,758 and \$153,587 at June 30, 2017 and 2016, respectively.

Note 8 - 401(k) Plan

The Organization maintains a Code Section 401(k) salary reduction/deferred compensation plan (the "Plan"). Employees with at least six months of service are eligible to participate in the Plan. Those who elect to contribute to the Plan may contribute up to the maximum allowed under the Code. The Organization will match 100% of the employee's contribution up to 4% of the participant's salary.

Expense is recognized when contributions to the Plan are funded. The Organization recognized expense of \$138,290 and \$116,398 during the years ended June 30, 2017 and 2016, respectively.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 9 - Operating Leases

The Organization has entered into a lease for equipment that expires in March 2021. Future minimum lease payments are as follows:

For the Year Ending June 30,

2018	\$	24,336
2019		24,336
2020		24,336
2021		<u>16,224</u>
	<u>\$</u>	<u>89,232</u>

Lease expense for the years ended June 30, 2017 and 2016 was \$30,480 and \$30,963, respectively.

Note 10 - Line-of-Credit

The Organization maintains a \$500,000 unsecured revolving line-of-credit. Draws on this line-of-credit bear interest at the bank's prime rate plus 0.50% (5.50% at June 30, 2017). There were no outstanding borrowings under the line-of-credit at June 30, 2017 and 2016. The line-of-credit expires in December 2017.

Note 11 - Concentrations

The Organization had one customer that represented 40% of revenues and two customers that represented 59% of accounts receivable as of and for the year ended June 30, 2017.

The Organization had one customer that represented 49% of revenues and 53% of accounts receivable as of and for the year ended June 30, 2016.

Note 12 - Contingencies

Litigation

From time to time, the Organization is a party to or otherwise involved in legal proceedings or other legal matters that arise in the ordinary course of business. While management does not believe that any pending legal claim or proceeding will be resolved in a manner that would have a material adverse effect on the Organization's business, there is no assurance on the ultimate outcome of any legal proceeding or contingency in which the Organization may be involved.

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

Notes to Consolidated Financial Statements

Note 12 - Contingencies (continued)

Hail Storm

The Organization experienced a significant hail storm event in May 2017. Fiscal year 2018 will include additional activity associated with the repairs. This will include insurance reimbursements and repair expenses. The current estimate of damage is over \$2 million. The Organization estimates that it will not incur any accounting or economic loss from the hail storm.

Relocation Expenses

The Organization has begun the process of renovating the school buildings on campus. The school program has been relocated to a vacant Denver Public Schools building. The renovation is expected to be completed and the school relocated back to the Laradon campus by June 2018.

SUPPLEMENTARY INFORMATION

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

**Summary of Unrestricted Support, Revenue, and Expenses by Program - Based on Internal Management Reporting
For the Year Ended June 30, 2017**

	Children Services			Program Services			2017 Total	2016 Total
	Family/Infant/ Toddler	School	Total Children Services	Adult Services		Total Adult Services		
				Day Program	Community Living Services			
Support, revenue, and other gains								
Fees and grants from governmental agencies								
State of Colorado	\$ -	\$ 4,489,794	\$ 4,489,794	\$ -	\$ -	\$ -	\$ 4,489,794	\$ 3,233,855
Medicaid	<u>184,241</u>	<u>-</u>	<u>184,241</u>	<u>3,207,618</u>	<u>2,331,732</u>	<u>5,539,350</u>	<u>5,723,591</u>	<u>5,030,605</u>
Total fees and grants from governmental agencies	<u>184,241</u>	<u>4,489,794</u>	<u>4,674,035</u>	<u>3,207,618</u>	<u>2,331,732</u>	<u>5,539,350</u>	<u>10,213,385</u>	<u>8,264,460</u>
Public support								
Contributions and fundraisers	<u>82,758</u>	<u>917,509</u>	<u>1,000,267</u>	<u>646,245</u>	<u>193,675</u>	<u>839,920</u>	<u>1,840,187</u>	<u>1,515,647</u>
Other revenue								
Rental income	3,044	33,751	36,795	23,773	7,125	30,898	67,693	62,619
Investment income (loss)	9,661	107,113	116,774	75,445	22,610	98,055	214,829	(57,048)
Other	<u>3,295</u>	<u>36,533</u>	<u>39,828</u>	<u>25,732</u>	<u>7,712</u>	<u>33,444</u>	<u>73,272</u>	<u>80,290</u>
Total other revenue	<u>16,000</u>	<u>177,397</u>	<u>193,397</u>	<u>124,950</u>	<u>37,447</u>	<u>162,397</u>	<u>355,794</u>	<u>85,861</u>
Net assets released from restrictions								
Satisfaction of program and time restrictions	<u>22</u>	<u>234</u>	<u>256</u>	<u>165</u>	<u>49</u>	<u>214</u>	<u>470</u>	<u>30,000</u>
Total support, revenue, and other gains	<u>283,021</u>	<u>5,584,934</u>	<u>5,867,955</u>	<u>3,978,978</u>	<u>2,562,903</u>	<u>6,541,881</u>	<u>12,409,836</u>	<u>9,895,968</u>
Expenses								
Direct program	324,265	4,307,427	4,631,692	3,631,413	2,443,344	6,074,757	10,706,449	9,238,118
Supporting services	<u>59,929</u>	<u>664,409</u>	<u>724,338</u>	<u>467,975</u>	<u>140,249</u>	<u>608,224</u>	<u>1,332,562</u>	<u>796,197</u>
Changes in unrestricted net assets before depreciation	(101,173)	613,098	511,925	(120,410)	(20,690)	(141,100)	370,825	(138,347)
Depreciation	<u>4,575</u>	<u>109,716</u>	<u>114,291</u>	<u>180,848</u>	<u>35,528</u>	<u>216,376</u>	<u>330,667</u>	<u>348,603</u>
Change in unrestricted net assets after depreciation	<u>\$ (105,748)</u>	<u>\$ 503,382</u>	<u>\$ 397,634</u>	<u>\$ (301,258)</u>	<u>\$ (56,218)</u>	<u>\$ (357,476)</u>	<u>\$ 40,158</u>	<u>\$ (486,950)</u>

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

**Consolidating Statement of Financial Position
June 30, 2017**

	<u>Laradon</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
Assets				
Current assets				
Cash and cash equivalents	\$ 486,019	\$ -	\$ -	\$ 486,019
Cash held for participants	29,731	-	-	29,731
Investments	1,596,997	7,561,847	-	9,158,844
Accounts receivable, net	662,396	-	-	662,396
Grants and other receivables	162,233	50,000	(101,932)	110,301
Prepaid expenses	<u>45,820</u>	<u>-</u>	<u>-</u>	<u>45,820</u>
Total current assets	2,983,196	7,611,847	(101,932)	10,493,111
Non-current assets				
Property and equipment, net	<u>3,875,564</u>	<u>-</u>	<u>-</u>	<u>3,875,564</u>
Total assets	<u>\$ 6,858,760</u>	<u>\$ 7,611,847</u>	<u>\$ (101,932)</u>	<u>\$ 14,368,675</u>
Liabilities and Net Assets				
Liabilities				
Accounts payable	\$ 179,440	\$ 101,932	\$ (101,932)	\$ 179,440
Accrued liabilities	559,733	-	-	559,733
Due to participants	29,731	-	-	29,731
Deferred revenue	<u>58,352</u>	<u>-</u>	<u>-</u>	<u>58,352</u>
Total liabilities	<u>827,256</u>	<u>101,932</u>	<u>(101,932)</u>	<u>827,256</u>
Commitments and contingencies				
Net assets				
Unrestricted				
Designated	177,758	-	-	177,758
Undesignated	<u>5,849,126</u>	<u>7,459,915</u>	<u>-</u>	<u>13,309,041</u>
Total unrestricted	6,026,884	7,459,915	-	13,486,799
Temporarily restricted	<u>4,620</u>	<u>50,000</u>	<u>-</u>	<u>54,620</u>
Total net assets	<u>6,031,504</u>	<u>7,509,915</u>	<u>-</u>	<u>13,541,419</u>
Total liabilities and net assets	<u>\$ 6,858,760</u>	<u>\$ 7,611,847</u>	<u>\$ (101,932)</u>	<u>\$ 14,368,675</u>

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

**Consolidating Statement of Financial Position
June 30, 2016**

	<u>Laradon</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
Assets				
Current assets				
Cash and cash equivalents	\$ 147,779	\$ -	\$ -	\$ 147,779
Cash held for participants	19,372	-	-	19,372
Investments	1,781,112	7,976,481	-	9,757,593
Accounts receivable, net	509,431	-	-	509,431
Grants and other receivables	64,145	50,000	(59,174)	54,971
Prepaid expenses	<u>56,033</u>	<u>-</u>	<u>-</u>	<u>56,033</u>
Total current assets	2,577,872	8,026,481	(59,174)	10,545,179
Non-current assets				
Long-term grants receivable, net of current portion	-	50,000	-	50,000
Property and equipment, net	<u>4,164,641</u>	<u>-</u>	<u>-</u>	<u>4,164,641</u>
Total assets	<u>\$ 6,742,513</u>	<u>\$ 8,076,481</u>	<u>\$ (59,174)</u>	<u>\$ 14,759,820</u>
Liabilities and Net Assets				
Liabilities				
Accounts payable	\$ 187,634	\$ 59,174	\$ (59,174)	\$ 187,634
Accrued liabilities	501,198	-	-	501,198
Due to participants	19,372	-	-	19,372
Deferred revenue	<u>112,939</u>	<u>-</u>	<u>-</u>	<u>112,939</u>
Total liabilities	<u>821,143</u>	<u>59,174</u>	<u>(59,174)</u>	<u>821,143</u>
Commitments and contingencies				
Net assets				
Unrestricted				
Designated	153,587	-	-	153,587
Undesignated	<u>5,767,313</u>	<u>7,917,307</u>	<u>-</u>	<u>13,684,620</u>
Total unrestricted	5,920,900	7,917,307	-	13,838,207
Temporarily restricted	<u>470</u>	<u>100,000</u>	<u>-</u>	<u>100,470</u>
Total net assets	<u>5,921,370</u>	<u>8,017,307</u>	<u>-</u>	<u>13,938,677</u>
Total liabilities and net assets	<u>\$ 6,742,513</u>	<u>\$ 8,076,481</u>	<u>\$ (59,174)</u>	<u>\$ 14,759,820</u>

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

**Consolidating Statement of Activities
For the Year Ended June 30, 2017**

	<u>Laradon</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
Support, revenue, and other gains				
Fees and grants from				
governmental agencies	\$ 10,213,385	\$ -	\$ -	\$ 10,213,385
Public support	1,844,807	-	(1,162,708)	682,099
Rental income, net	67,693	-	-	67,693
Investment income	214,829	741,970	-	956,799
Other	<u>73,272</u>	<u>-</u>	<u>-</u>	<u>73,272</u>
Total support, revenue, and other gains	<u>12,413,986</u>	<u>741,970</u>	<u>(1,162,708)</u>	<u>11,993,248</u>
Expenses				
Program services				
Children services				
Family/infant/toddler	324,903	-	-	324,903
School	4,373,496	-	-	4,373,496
Adult services				
Day program	3,781,518	-	-	3,781,518
Community living services	2,469,659	-	-	2,469,659
Grant awards to Laradon	<u>-</u>	<u>800,000</u>	<u>(800,000)</u>	<u>-</u>
Total program services	<u>10,949,576</u>	<u>800,000</u>	<u>(800,000)</u>	<u>10,949,576</u>
Supporting services				
General and administration	952,229	86,654	-	1,038,883
Fundraising	<u>360,495</u>	<u>362,708</u>	<u>(362,708)</u>	<u>360,495</u>
Total supporting services	<u>1,312,724</u>	<u>449,362</u>	<u>(362,708)</u>	<u>1,399,378</u>
Total expenses	<u>12,262,300</u>	<u>1,249,362</u>	<u>(1,162,708)</u>	<u>12,348,954</u>
Changes in net assets before storm damage and relocation expenses	151,686	(507,392)	-	(355,706)
Storm damage expense, net of insurance recovery	4,051	-	-	4,051
Relocation expenses	<u>(45,603)</u>	<u>-</u>	<u>-</u>	<u>(45,603)</u>
Change in net assets	110,134	(507,392)	-	(397,258)
Net assets at beginning of year	<u>5,921,370</u>	<u>8,017,307</u>	<u>-</u>	<u>13,938,677</u>
Net assets at end of year	<u>\$ 6,031,504</u>	<u>\$ 7,509,915</u>	<u>\$ -</u>	<u>\$ 13,541,419</u>

**LARADON HALL SOCIETY FOR EXCEPTIONAL
CHILDREN AND ADULTS AND SUBSIDIARY**

**Consolidating Statement of Activities
For the Year Ended June 30, 2016**

	<u>Laradon</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
Support, revenue, and other gains				
Fees and grants from				
governmental agencies	\$ 8,264,460	\$ -	\$ -	\$ 8,264,460
Public support	1,515,647	150,413	(1,161,101)	504,959
Rental income, net	62,619	-	-	62,619
Investment (loss) income	(57,048)	25,201	-	(31,847)
Other	<u>80,290</u>	<u>200</u>	<u>-</u>	<u>80,490</u>
Total support, revenue, and other gains	<u>9,865,968</u>	<u>175,814</u>	<u>(1,161,101)</u>	<u>8,880,681</u>
Expenses				
Program services				
Children services				
Family/infant/toddler	274,823	-	-	274,823
School	3,635,731	-	-	3,635,731
Adult services				
Day program	3,816,056	-	-	3,816,056
Community living services	1,817,304	-	-	1,817,304
Grant awards to Laradon	<u>-</u>	<u>878,472</u>	<u>(878,472)</u>	<u>-</u>
Total program services	<u>9,543,914</u>	<u>878,472</u>	<u>(878,472)</u>	<u>9,543,914</u>
Supporting services				
General and administration	610,026	72,359	(12,432)	669,953
Fundraising	<u>228,978</u>	<u>270,197</u>	<u>(270,197)</u>	<u>228,978</u>
Total supporting services	<u>839,004</u>	<u>342,556</u>	<u>(282,629)</u>	<u>898,931</u>
Total expenses	<u>10,382,918</u>	<u>1,221,028</u>	<u>(1,161,101)</u>	<u>10,442,845</u>
Change in net assets	(516,950)	(1,045,214)	-	(1,562,164)
Net assets at beginning of year	<u>6,438,320</u>	<u>9,062,521</u>	<u>-</u>	<u>15,500,841</u>
Net assets at end of year	<u>\$ 5,921,370</u>	<u>\$ 8,017,307</u>	<u>\$ -</u>	<u>\$ 13,938,677</u>