

SACRAMENTO VALLEY TEEN CHALLENGE, INC.
(A Nonprofit Corporation)

FINANCIAL STATEMENTS
Together with
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

Tang & Lee, LLP

Certified Public Accountants

SAACRAMENTO VALLEY TEEN CHALLENGE, INC.
(A Nonprofit Corporation)
FOR THE YEAR ENDED DECEMBER 31, 2020

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS:	
Statement of Financial Position	3-4
Statement of Activities and Changes in its Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7-14
Supplementary Information	
Schedule of Functional Expenses	15

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Teen Challenge
Sacramento Valley Teen Challenge, Inc.
Sacramento, California

Report on the Financial Statements

We have audited the accompanying financial statements of **Sacramento Valley Teen Challenge, Inc.** (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in its net assets, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sacramento Valley Teen Challenge, Inc. as of December 31, 2020, and statement of activities and 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 the Sacramento Valley Teen Challenge, Inc.'s 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 19, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses on pages 15 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Tang & Lee, LLP

Burlingame, California
October 8, 2021

SACRAMENTO VALLEY TEEN CHALLENGE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(With Comparative Totals for December 31, 2019)

ASSETS	Without donor restrictions	With donor restrictions	Total 2020	Summarized 2019
CURRENT ASSETS:				
Cash and cash equivalents	\$ 242,919	\$ -	\$ 242,919	\$ 222,664
Accounts receivable	-	-	-	7,758
ITEX trade accounts receivable, net	-	-	-	11,212
Prepaid expenses and deposits	-	-	-	4,100
Inventory	5,363	-	5,363	6,363
Other current assets	134	-	134	953
Total current assets	248,416	-	248,416	253,050
PROPERTY AND EQUIPMENT:				
Land	200,000	529,000	729,000	729,000
Buildings and improvements	3,308,911	589,329	3,898,240	3,891,841
Furniture and equipment	144,826	-	144,826	140,846
Vehicles	184,210	-	184,210	161,939
	3,837,947	1,118,329	4,956,276	4,923,626
Accumulated depreciation	(1,968,780)	-	(1,968,780)	(1,817,249)
Total property and equipment	1,869,167	1,118,329	2,987,496	3,106,377
OTHER ASSETS:				
Cash held for endowment	-	10,000	10,000	10,000
Rent deposit	1,266	-	1,266	1,265
Deposits - long term	1,481	-	1,481	1,481
Total other assets	2,747	10,000	12,747	12,746
Total assets	<u>\$ 2,120,330</u>	<u>\$ 1,128,329</u>	<u>\$ 3,248,659</u>	<u>\$ 3,372,173</u>

The accompanying notes are an integral part of the financial statements.

SACRAMENTO VALLEY TEEN CHALLENGE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(Continued)
(With Comparative Totals for December 31, 2019)

LIABILITIES AND NET ASSETS	Without donor restrictions	With donor restrictions	Total 2020	Summarized 2019
CURRENT LIABILITIES:				
Accounts payable	\$ 6,534	\$ -	\$ 6,534	\$ 17,449
Accounts payable-related parties	60,772	-	60,772	57,798
Accrued expenses	13,960	-	13,960	13,825
Paycheck protection program loan	91,659	-	91,659	-
Total current liabilities	172,925	-	172,925	89,072
Total liabilities	172,925	-	172,925	89,072
COMMITMENTS AND CONTINGENCIES				
NET ASSETS:				
With donor restrictions	-	1,128,329	1,128,329	1,128,329
Without donor restrictions	1,947,405	-	1,947,405	2,154,772
Total net assets	1,947,405	1,128,329	3,075,734	3,283,101
Total liabilities and net assets	<u>\$ 2,120,330</u>	<u>\$ 1,128,329</u>	<u>\$ 3,248,659</u>	<u>\$ 3,372,173</u>

The accompanying notes are an integral part of the financial statements.

SACRAMENTO VALLEY TEEN CHALLENGE
STATEMENT OF ACTIVITIES AND CHANGES IN ITS NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Totals for December 31, 2019)

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total 2020</u>	<u>Summarized 2019</u>
SUPPORT AND REVENUE:				
General contributions	\$ 665,993	-	\$ 665,993	\$ 971,425
Non-cash donations	11,938	-	11,938	93,621
Special events contributions	76,788	-	76,788	120,937
Special events direct benefits cost	(3,766)	-	(3,766)	(45,963)
Total support	<u>750,953</u>	-	<u>750,953</u>	<u>1,140,020</u>
Interest income and miscellaneous income	3,224	-	3,224	448
Program fees	290,222	-	290,222	309,896
Sale of assets and donated items	6,781	-	6,781	12,052
Total revenue	<u>300,227</u>	-	<u>300,227</u>	<u>322,396</u>
Total support and revenue	<u>1,051,180</u>	-	<u>1,051,180</u>	<u>1,462,416</u>
EXPENSES:				
Program services	997,073	-	997,073	1,150,407
Supporting services -			-	-
General and administrative	76,803	-	76,803	108,650
Fundraising	184,816	-	184,816	63,039
Total supporting services	<u>261,619</u>	-	<u>261,619</u>	<u>171,689</u>
Total expenses	<u>1,258,692</u>	-	<u>1,258,692</u>	<u>1,322,096</u>
Changes in net assets- increase/(decrease)	(207,512)	-	(207,512)	140,320
NET ASSETS, beginning of year	2,154,772	1,128,329	3,283,101	3,133,909
Prior period adjustment	145	-	145	8,872
Restated net assets, beginning of year	2,154,917	1,128,329	3,283,246	3,142,781
NET ASSETS, end of year	<u>\$ 1,947,405</u>	<u>\$ 1,128,329</u>	<u>\$ 3,075,734</u>	<u>\$ 3,283,101</u>

The accompanying notes are an integral part of the financial statements.

**SACRAMENTO VALLEY TEEN CHALLENGE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Totals for December 31, 2019)**

	Total 2020	Summarized 2019
Cash flows from operating activities:		
Increase (Decrease) in net assets	\$ (207,512)	\$ 140,320
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	176,983	155,095
Donated ITEX shares and net related activity	11,212	(4,466)
Changes (increase)/decrease in assets and liabilities:		
Accounts receivable	7,758	(3,493)
Prepaid expenses and deposits	4,100	48,214
Inventory	1,000	-
Other current assets	819	2,289
Rent deposit	-	(1,265)
Deposits in long-term	-	(104)
Accounts payable and accrued expenses	(10,780)	(60,949)
Accounts payable-related parties	2,974	54,071
Prior period adjustment	145	8,872
	(13,301)	338,584
Cash flows for investing activities:		
Acquisition of property and equipment	(58,104)	(83,382)
	(58,104)	(83,382)
Cash flows for financing activities:		
Paycheck protection program loan	91,659	-
(Debt reduction)/increase on note payable	-	(73,725)
	91,659	(73,725)
Net increase in cash	20,254	181,477
Cash, beginning of year	222,664	41,187
Cash, end of year	242,919	222,664
Supplementary information:		
Interest paid during the year	\$1,081	\$1,154

The accompanying notes are an integral part of the financial statements.

SACRAMENTO VALLEY TEEN CHALLENGE

(A Nonprofit Corporation)
Notes to Financial Statements
December 31, 2020

1. DESCRIPTION OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The Organization

Sacramento Valley Teen Challenge, Inc. (TCSV) is a nonprofit corporation organized to provide non-residential and residential care for men, women, and children with life-controlling problems. TCSV provides services for individuals in the Sacramento region and beyond. It is an accredited member of Teen Challenge International, U.S.A., a Christian organization which endeavors to help people become mentally sound, emotionally balanced, socially adjusted, physically well, and spiritually alive.

Merger Agreement

On December 1, 2018, the Board had approved the plan of reorganization to merger with the operation of Teen Challenge NorWestCal Nevada.

Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with FASB ASC 958-605-20, Accounting for Contributions Received and Contributions Made, and FASB ASC 958, *Financial Statements of Not-For-Profit Organizations*.

The financial statements report separately classifies amounts of net assets:

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 TCSV. These net assets may be used at the discretion of TCSV'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 TCSV or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

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 statements of activities.

In addition, the accompanying financial statements include the assets, liabilities, and operations of auxiliaries for which TCSV is a fiscal sponsor.

Restricted cash

Unspent cash donated for long-term purposes, specifically for construction of the Happy Valley Women and Children's Center, is not available for current operations. In addition, auxiliary cash is not considered available for general operations and is considered restricted for presentation purposes.

SACRAMENTO VALLEY TEEN CHALLENGE

(A Nonprofit Corporation)
Notes to Financial Statements
December 31, 2020

Inventory

Inventory consists of donated autos and donated thrift store items. Donated autos are valued at their actual subsequent sales price, which approximates the fair value as of the date of donation. Management estimates the fair value of thrift store inventory to approximate one month of annual thrift store sales, which approximates fair value.

Property and Equipment

Property and equipment are stated at cost. Donated assets are reported at the estimated fair value on the date of donation.

TCSV capitalized all property and equipment with a cost basis in excess of \$2,500. Normal repairs and maintenance are expensed as incurred. Depreciation is computed on the straight-line method over estimated useful lives as follows:

Vehicles	5 years
Equipment	3 – 5 years
Website development costs	3 years
Building	27.5 – 39 years
Building improvements	5 – 10 years
Leasehold improvement	Lower of life of lease or ten years

Cash held for Endowment

TCSV maintains \$10,000 cash in an investment account with AG Foundation through Teen Challenge International, U.S.A. Such amount is not available for operating purposes and has been classified as permanently restricted net assets in the accompanying financial statements.

Revenue Recognition

Unconditional contributions are recorded at fair value as of the date of donation, net of estimated uncollectible amounts. Contributions received are considered to be available or use unless specifically restricted by the donor. Conditional contributions are recognized as revenue when conditions on which they depend have been substantially met.

Donated goods, excluding autos and thrift store donations, are recorded as contribution revenue at estimated fair value on the date of donation and primarily consist of food, building materials. The value of such donated goods approximated \$10,447 for the years ended December 31, 2020.

In addition, total auto and thrift store donations (included as auto and thrift store sales in the accompanying financial statements) for the years ended December 31, 2020 approximated \$8,573.

SACRAMENTO VALLEY TEEN CHALLENGE

(A Nonprofit Corporation)
Notes to Financial Statements
December 31, 2020

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized in the Statement of Functional Expenses. Expenses that can be identified with a specific program or support service are charged directly to their natural expenditure classification. Certain costs common to several functions have been allocated among the programs and supporting services benefited. General and administrative and fundraising expenses are those not directly identifiable with any specific function but which provide for the overall support and direction of TCSV.

Tax-Exempt Status

TCSV has been granted exemption from federal income taxes under Internal Revenue Code Section 501 (c)(3) and from California franchise taxes as charitable organizations. Income, net of expenses, that is unrelated to their exempt purpose, is subject to tax.

U.S. GAAP requires entities to disclose in their financial statements the nature of any uncertainties in their tax position. Tax years including the year ended December 31, 2020 and earlier are subject to examinations by tax authorities. Areas that IRS and state tax authorities consider when examining tax return of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. TCSV does not believe that it has any uncertain tax positions with respect to these or other matters, and has not recorded any unrecognized tax benefits or liabilities for penalties or interest.

Use of Estimates

The preparation 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 disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates.

Risks and Uncertainties

Financial instruments, which potentially subject TCSV to concentrations of risk as defined generally accepted accounting principles, consist primarily of cash and cash equivalents. TCSV maintains its cash and cash equivalents in various bank deposit accounts, which, at times, may exceed federally insured limit. TCSV has not experienced any losses in such accounts.

TCSV's programs are primarily funded through contributions of cash, autos, and other goods and services.

2. PROPERTY AND EQUIPMENT

As of December 31, 2020, property and equipment is summarized as follows:

SACRAMENTO VALLEY TEEN CHALLENGE

(A Nonprofit Corporation)
Notes to Financial Statements
December 31, 2020

	2020
Land and improvements	\$729,000
Buildings and improvements	3,898,240
Vehicles	184,210
Furniture, equipment and software	<u>144,826</u>
Total property and equipment	4,956,276
Accumulated depreciation	<u>(1,968,780)</u>
Net property and equipment	\$2,987,496

Depreciation and amortization expense for the years ended December 31, 2020 was \$176,983.

3. NET ASSETS WITH DONOR RESTRICTIONS

a. As of December 31, 2020, net assets with donor restrictions are available for the following purposes:

Time or purpose restriction:	2020
Buildings with reversionary interests	\$589,329
Land	529,000
Cash held for endowment	<u>10,000</u>
Total net assets with donor restricted	\$1,128,329

b. As of December 31, 2020, land with an historical cost of \$529,000 was classified as net assets with donor restrictions in the accompanying statements of financial position. Such land has a reversionary interest to the funder as described below.

On March 1, 2003, the Assemblies of God, Northern California and Nevada District Council, Inc. (AOG) contributed three homes to TCSV that had been used in their ministry. The properties were recorded as contribution revenue at fair market value as of the date of donation. In order to protect the AOG's investment in the donated properties, TCSV was required to sign a promissory note secured by a deed of trust with restrictions and covenants that will be enforced only in the event that TCSV ceases operation as an AOG affiliate. In the event TCSV ceases to be affiliated with the AOG, the three notes would be immediately due and payable. The three notes total \$2,223,579 and bear interest at 10 percent per annum, accumulated and compounded annually. Such liabilities are not recorded in the accompanying financial statements as TCSV is in full compliance with all restrictions, and it is not probable that this liability will ever be incurred.

c. Net assets with donor restrictions also include \$10,000 in investments that are subject to donor-imposed restrictions requiring the principal to be invested in perpetuity. The investment income from such investments is to be used for the general purposes of TCSV.

SACRAMENTO VALLEY TEEN CHALLENGE

(A Nonprofit Corporation)
Notes to Financial Statements
December 31, 2020

4. EMPLOYEE BENEFIT PLAN

A 403(b) tax sheltered annuity plan has been established for all qualified employees. This plan is qualified as tax exempt by the Internal Revenue Service. TCSV does not match or contribute to the plan.

5. LEASE COMMITMENTS

TCSV rents space under four lease agreements, all of which are month-to-month leases as of December 31, 2020. In addition, TCSV leases five pieces of equipment. Total rent expense for the years ended December 31, 2020 was \$65,523, including equipment and donated rent for three locations.

6. RELATED PARTY TRANSACTIONS

There are intercompany transactions among TCSB, TCEB, TCNV and TCSV. These transactions are accounts receivable, accounts payable, note receivable, administration income and expense. All these intercompany transactions would be eliminated in the consolidated financial statements. As of December 31, 2020, TCSV has incurred accounts payable in the amount of \$60,772 with TCSB.

7. PAYCHECK PROTECTION PROGRAM LOAN

TCSV has applied Paycheck Protection Program (PPP) administered by Small Business Administration of Federal government. The program is to provide economic relief to small businesses and non-profit entities adversely affected by the pandemic nationwide. TCSV had received the relief in the amount of \$91,659 and has been using it for the operation. On May 21, 2021, the total amount of \$91,659 had been forgiven. However, the Organization has not written off the total loan until 2021.

8. FAIR VALUE MEASUREMENTS

TCSV measure fair value in accordance with Statement of Financial Accounting Standards No. 157, Fair Value Measurements, (FAS 157) which was subsequently included In the FASB Codification as ASC 820. ASC 820 which applies to all financial instruments that are being measured and reported on a fair value basis. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that priorities the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical

SACRAMENTO VALLEY TEEN CHALLENGE

(A Nonprofit Corporation)

Notes to Financial Statements

December 31, 2020

assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs are quoted market prices (unadjusted) in active markets for identical assets or Liabilities. Valuations for assets and liabilities traded in active exchange markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly. Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 - Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discontinued cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions.

TCSV's financial assets measured at fair value have been categorized based upon a fair value hierarchy. The following page presents information about TCSV's assets and liabilities measured at fair value as of December 31, 2020.

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Balance as of December 31, 2020
Cash and cash equivalents	\$ 242,919			\$ 242,919
Inventory		5,363		5,363
Other current assets	134			134
Property and equipment		2,987,496		2,987,496
Cash held for endowment	10,000			10,000
Rent deposit	1,265			1,265
Deposits – long term		1,481		1,481
Total	254,318	2,994,340	-0-	3,248,659
Accounts payable	6,534			6,534
Accounts payable-related parties	60,772			60,772
Accrued expenses	13,960			13,960
Paycheck protection program loan	91,659			91,659
Total	\$ 172,925	-0-	-0-	\$ 172,925

SACRAMENTO VALLEY TEEN CHALLENGE

(A Nonprofit Corporation)
Notes to Financial Statements
December 31, 2020

9. AVAILABILITY AND LIQUIDITY

This presentation is required by the newly adopted ASU 2016-14 which is effective for annual financial statements issued for fiscal years beginning after December 15, 2018. The following represents TCSV's financial assets as of December 31, 2020:

Financial assets at year end:	
Cash	\$ 242,919
Cash restricted	<u>10,000</u>
Total financial assets	252,919
Less amounts not available to be used within one year:	
Cash restricted	<u>10,000</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 242,919</u>

TCSV's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in certificates of deposit over one-year. As of December 31, 2020, the management believes that TCSV has sufficient fund to meet the current year obligation.

10. SUBSEQUENT EVENTS

The management of TCSV reviewed the results of operations and evaluated subsequent events for the period of time from its year end December 31, 2020 through October 8, 2021, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements. However, the following event has occurred and the nature of which would require disclosure.

Many people have been affected by pandemic COVID-19 starting in the month of March throughout the country. The shelter-in-place orders were declared on March 17. The activities have been gradually suspended. As a result, TCSV had to find alternate sources of fundraising. Thrift Stores were closed for more than five months but have now reopened. Staffs were unable to conduct Door to Door fundraising and some other fundraising activities as well. Staffs are now doing a little Door to Door as restrictions are loosened. And some suspended fundraising activities are added back as regulations allow. The overall ministry and student life have not changed and continue on. Currently, the office was allowed to access. As of today, many activities have been somewhat held back and the impact of this pandemic on

SACRAMENTO VALLEY TEEN CHALLENGE

(A Nonprofit Corporation)

Notes to Financial Statements

December 31, 2020

TCSV's results of operation, financial position, and liquidity in the coming year has not been determined as of today.

**SACRAMENTO VALLEY TEEN CHALLENGE
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

<u>Nature</u>	<u>Program expenses</u>	<u>General and Administration</u>	<u>Fundraising</u>	<u>Total 2020</u>
Salaries and wages	\$ 300,658	\$ 72,784	\$ 53,331	\$ 426,773
Employee benefits	15,375	-	-	15,375
Payroll taxes	24,605	4,019	905	29,529
Hiring Costs	434	-	-	434
Per Diem Expense	14,064	-	7,187	21,251
Bank Service Charges	4,440	-	106	4,546
Permits & Licenses	1,605	-	-	1,605
Corporation Costs	10,893	-	-	10,893
Accounting Fees	1,225	-	-	1,225
Property and Sales Taxes	1,141	-	60	1,201
General Supplies	26,795	-	1,013	27,808
Telephones	28,742	-	-	28,742
Postage and Delivery	9,311	-	57,813	67,124
Utilities	75,202	-	-	75,202
Rent	65,523	-	-	65,523
Building Repair&Maintenance	9,985	-	-	9,985
Liability Insurance	36,588	-	-	36,588
Equipment	20,238	-	-	20,238
Printing and Reproduction	952	-	63,646	64,597
Travel	73,434	-	-	73,434
Interest Expense	1,081	-	-	1,081
Depreciation, depletion, and amortization	176,983	-	-	176,983
Loss, Theft, Disposal	2,820	-	-	2,820
Affiliates	6,042	-	-	6,042
Dues and Subscriptions	180	-	-	180
Promotions & Advertising	7,470	-	755	8,225
Training	882	-	-	882
Professional Services	22,535	-	-	22,535
Administration Expenses	57,709	-	-	57,709
Other expenses	162	-	-	162
Total	\$ 997,073	\$ 76,803	\$ 184,816	\$ 1,258,692