COMMUNITY COUNSELING AND MEDIATION SERVICES, INC. AND AFFILIATES
D/B/A COMMUNITY COUNSELING AND MEDIATION

CONSOLIDATED FINANCIAL STATEMENTS
With Supplementary Information
(Together with Independent Auditors' Report)

YEAR ENDED JUNE 30, 2019

MARKS PANETH

ACCOUNTANTS & ADVISORS

COMMUNITY COUNSELING AND MEDIATION SERVICES, INC. AND AFFILIATES
D/B/A COMMUNTY COUNSELING AND MEDIATION

CONSOLIDATED FINANCIAL STATEMENTS
With Supplementary Information
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YEAR ENDED JUNE 30, 2019

CONTENTS

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MARKS PANETH
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Counseling and Mediation Service, Inc. and Affiliates
D/B/A Community Counseling and Mediation

We have audited the accompanying consolidated financial statements of Community Counseling and Mediation Services, Inc. and Affiliates d/b/a Community Counseling and Mediation (“CCMS”). (collectively, the “Organization”), which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management’s Responsibility for the Consolidated 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 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 consolidated financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Community Counseling and Mediation Services, Inc. and Affiliates d/b/a Community Counseling and Mediation as of June 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, during the year ended June 30, 2019, the Organization has adopted Accounting Standards Update 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

As discussed in Note 21 of the consolidated financial statements, the Organization reorganized its corporate structure. This reorganization resulted in a change in reporting entity and the impact of the change is disclosed in Note 21 of the consolidated financial statements. Our opinion has not been modified with respect to this matter

Other Matter - Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information (shown on pages 21-22) is presented for the purpose 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 is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Marks Paneth LLP

New York, NY
April 2, 2020

COMMUNITY COUNSELING AND MEDIATION SERVICE, INC. AND AFFILIATES
D/B/A COMMUNITY COUNSELING AND MEDIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019

ASSETS		
Cash and cash equivalents (Notes 2E and 19)	$	2,753,596
Investments (Notes 2F, 6 and 7)		408,725
Contracts and grants receivable, net (Notes 2I and 5)		3,098,313
Patient accounts receivable (Notes 2I and 4)		577,550
Prepaid expenses and other assets		481,599
Restricted deposits and funded reserves (Note 8)		763,344
Investments held for retirement (Notes 2F and 7)		1,960,698
Property and equipment, net (Notes 2G, 9, 12 and 13)		48,047,264
TOTAL ASSETS	$	58,091,089
LIABILITIES		
Accounts payable and accrued expenses	$	1,397,723
Accrued salaries and vacation		841,861
Accrued interest payable		1,594,919
Accrued pension benefits (Note 15)		898,523
Due to Funding Sources/Deferred revenue (Notes 2K and 14)		97,726
Security deposit payable		6,027
Line of credit (Note 17)		503,437
Loans payable (Note 12)		18,374,889
Mortgages payable, net (Note 13)		18,864,148
TOTAL LIABILITIES		42,579,253
COMMITMENTS AND CONTINGENCIES (Note 16)		
NET ASSETS (Note 2C)		
Without donor restrictions:		
Operating		9,723,483
Excess of debt over property and equipment		(1,880,017)
		7,843,466
Noncontrolling limited partners' interest in consolidated limited partnerships (Note 2O)		7,668,370
Total without donor restrictions		15,511,836
TOTAL NET ASSETS		15,511,836
TOTAL LIABILITIES AND NET ASSETS	$	58,091,089

COMMUNITY COUNSELING AND MEDIATION SERVICE, INC. AND AFFILIATES
D/B/A COMMUNITY COUNSELING AND MEDIATION
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

WITHOUT DONOR RESTRICTIONS		
Operating Revenue:		
Government grants and contract services (Notes 2H and 11)	$	8,966,810
Patient services, net (Note 10)		7,969,604
Contributions (Note 2D)		11,430
Rental income (Note 2P)		1,770,552
Other revenue		160,104
NYC DOE - Pass Through Grant (Note 18)		179,375
Total Operating Revenue		19,057,875
Operating Expenses (Note 2L)**:**		
Program Services:		
Mental Health HIV/AIDS and Substance Abuse		6,528,085
Education and Youth Development		2,841,208
Housing		4,548,767
Preventive and Adoption Services for Youth and Families		2,911,973
NYC DOE - Pass Through Grant (Note 18)		179,375
Total Program Services		17,009,408
Management and General		2,031,163
Total Supporting Services		2,031,163
Total Operating Expenses		19,040,571
Change In Net Assets From Operations		17,304
Non-Operating Activities (Note 2J)**:**		
Investment activity (Notes 2F and 6)		94,510
Total Non-Operating Revenue		94,510
Change in Net Assets Before Pension-Related Changes		111,814
Pension and postretirement related changes other than net periodic pension cost (Note 15)		(123,402)
CHANGE IN NET ASSETS		(11,588)
Net Assets - Beginning of Year, as originally stated		8,020,907
Prior period adjustments (Note 22)		1,063,880
Net Assets - Beginning of Year, as restated		9,084,787
Change in reporting entity (Note 21)		6,438,637
NET ASSETS - END OF YEAR	$	15,511,836

The accompanying notes are an integral part of these consolidated financial statements.

COMMUNITY COUNSELING AND MEDIATION SERVICE, INC. AND AFFILIATES
D/B/A COMMUNITY COUNSELING AND MEDIATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	PROGRAM SERVICES								
	Mental Health and Substance Abuse	Education and Youth Development	Housing	Preventive and Adoption Services For Youth and Families	Grants	Total Program Services	Management and General	Total Supporting Services	Total
Salaries	$ 3,140,631	$ 2,016,884	$ 1,387,654	$ 1,690,478	$ -	$ 8,235,647	$ 800,206	$ 800,206	$ 9,035,853
Payroll taxes and employee benefits (Note 15)	483,864	310,706	331,075	451,263	-	1,576,908	182,945	182,945	1,759,853
Total salaries and related costs	3,624,495	2,327,590	1,718,729	2,141,741	-	9,812,555	983,151	983,151	10,795,706
Consulting and Professional Fees	920,699	31,365	599,987	64,725	-	1,616,776	304,183	304,183	1,920,959
Recruiting	14,598	4,279	125	6,220	-	25,222	68,167	68,167	93,389
Staff Training and Other	30,133	2,994	6,711	4,165	-	44,003	22,738	22,738	66,741
Supplies	138,173	116,193	125,527	47,014	-	426,907	14,212	14,212	441,119
Travel and Client Activities	340,018	180,480	51,303	36,260	-	608,061	55,266	55,266	663,327
Occupancy (Note 16)	429,787	43,858	40,769	276,417	-	790,831	68,311	68,311	859,142
Repair and Maintenance	94,506	19,294	248,451	146,759	-	509,010	19,795	19,795	528,805
Telephone and Utilities	104,231	39,576	387,180	45,582	-	576,569	37,488	37,488	614,057
Equipment Rental and Purchase	116,408	19,998	69,368	73,781	-	279,555	21,827	21,827	301,382
Dues and Subscription	50,185	-	38,107	3,255	-	91,547	17,216	17,216	108,763
Printing, Publication and Postage	16,213	72	879	58	-	17,222	19,780	19,780	37,002
Payroll and Bank Charges	6,668	-	719	-	-	7,387	56,449	56,449	63,836
General Insurance	-	-	-	-	-	-	213,883	213,883	213,883
Depreciation and Amortization (Note 9)	-	-	808,375	-	-	808,375	57,959	57,959	866,334
Interest Expense	-	-	256,455	-	-	256,455	47,414	47,414	303,869
Bad Debts	628,828	30,723	182,193	49,894	-	891,638	-	-	891,638
NYC DOE - Pass Through Grant (Note 18)	-	-	-	-	179,375	179,375	-	-	179,375
Miscellaneous	13,143	24,786	13,889	16,102	-	67,920	23,324	23,324	91,244
TOTAL EXPENSES	$ 6,528,085	$ 2,841,208	$ 4,548,767	$ 2,911,973	$ 179,375	$ 17,009,408	$ 2,031,163	$ 2,031,163	$ 19,040,571

The accompanying notes are an integral part of these consolidated financial statements.

COMMUNITY COUNSELING AND MEDIATION SERVICE, INC. AND AFFILIATES
D/B/A COMMUNITY COUNSELING AND MEDIATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	$ (11,588)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	866,334
Amortization of deferred debt issuance costs	12,071
Unrealized gain on investments	(20,023)
Realized gain on investments	(9,033)
Bad debts	891,638
Subtotal	1,729,399
Changes in operating assets and liabilities:	
(Increase) or decrease in assets:	
Contracts and grants receivable	(445,550)
Patient accounts receivable	246,463
Prepaid expenses and other assets	(2,979)
Increase or (decrease) in liabilities:	
Accounts payable and accrued expenses	2,432,061
Accrued salaries and vacation	525,374
Accrued interest payable	254,873
Accrued pension benefits	123,402
Due to Funding Sources and deferred revenue	(164,507)
Security deposit payable	(554)
Net Cash Provided by Operating Activities	4,697,982
CASH FLOWS FROM INVESTING ACTIVITIES:	
Restricted deposits and funded reserves	(178,264)
Property and equipment acquisitions	(15,250,738)
Purchases of investments	(30,390)
Proceeds from sale of investments	143,962
Net Cash Used in Investing Activities	(15,315,430)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from bank lines of credit	160,495
Repayment of bank line of credit	(115,334)
Proceeds from notes payable	10,612,607
Principal repayments of loan payable	(100,000)
Proceed from mortgage	270,945
Net Cash Provided by Financing Activities	10,828,713
NET INCREASE IN CASH AND CASH EQUIVALENTS	211,265
Cash and cash equivalents - beginning of year	2,542,331
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 2,753,596
Supplemental Disclosure of Cash Flow Information:	
Cash paid for interest	$ 303,869

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1—ORGANIZATION AND NATURE OF ACTIVITIES

Community Counseling and Mediation Services, Inc., D/B/A Community Counseling and Mediation ("CCMS") is a corporation formed under the Not-for-Profit Law of the State of New York on November 16, 1983. CCMS maintains multiple locations in New York City which provide program and administrative services. CCMS' mission is to respond to the needs of the underserved, at-risk children, adults and families in a timely, linguistically and culturally sensitive manner. CCMS is a 501(c)(3) organization exempt from federal, state and local taxes.

CCMS has two wholly-owned affiliate corporations namely, Jean’s Place GP, Inc. and Rico’s Place Housing Development Fund Corporation (“HDFCs”) which are New York non-profit Corporations, and all are 501(c)(3) tax exempt organizations. In addition, CCMS owns a 100% interest in corporations that serve as the general partner in three limited partnerships as follows: Beverly’s Place, L.P Ruby’s Place Linden, L.P and Georgia’s Place, L.P. (the “Limited Partnerships”) The wholly-owned corporations hold a nominal interest (of 1% or less) in the limited partnership developments financed with Low Income Housing Tax Credits (LIHTC). Many of these buildings set aside units dedicated to households with special needs. CCMS’ responsibilities include project acquisition, project development, initial tenanting, compliance oversight with regulatory requirements, monitoring financial status, and provision of tenant services. CCMS also acts as the managing agent of the HDFCs and Limited Partnerships. CCMS, HDFCs and Limited Partnerships are referred to as the Organization.

CCMS serves over 15,000 children and families each year. The diversified program services are geared towards meeting the needs of its target population and promoting its mission. Programs offered by CCMS and affiliates include:

A. Mental Health, HIV/AIDS and Substance Abuse Services

- **CCM Mental Health Clinics** - Culturally sensitive and innovative treatment services at four licensed mental health clinics. Services include: individual, group and family counseling; psychological, psychiatric and psychosocial assessments and diagnosis; and psychopharmacology.

- **ASAP (Alcohol and Substance Abuse Program)** - A licensed, medically supervised outpatient treatment program, utilizing a comprehensive approach towards recovery that coordinates assessment and diagnosis, individual, group and family counseling, buprenorphine treatment, acupuncture, and case management.

- **Minority Outreach Community Health Access (MOCHA)** - A case management outreach wellness program targeted towards minority populations, supporting individuals in need of comprehensive case management services and health problems in Central Brooklyn areas.

- **In-School Mental Health Clinics** - Through the DOE Renewal School Initiative, an In-School Mental Health program serving students at the South Shore Educational Complex to help them improve their emotional skills needed to be productive in school and family life.

- **WAR (Women at Risk)** - Offers comprehensive counseling, psychotherapy, psychiatry and case management for women living with or affected by HIV and AIDS.

B. Education and Youth Development Services

- **COMPASS (Comprehensive after School System)** - Utilizes after school and summer hours, when children (k-5th grade) are often without parental supervision, to develop the young person's social, emotional and academic capabilities.

- **SONYC (School's Out New York City)** - Utilizes after school and summer hours, when children (6-8th grade) are often without parental supervision, to develop the young person's social, emotional and academic capabilities.

NOTE 1—ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

- **SYEP (Summer Youth Employment Program)** - Places youth (ages 14-24) in employment opportunities during the summer.
- **WLG (Work, Learn & Grow Employment Program)** - Provides participants of the 2015 SYEP and currently in-school with career readiness training and paid employment opportunities during the school year.
- **SIMBA (Safe in My Brother's Arms)** - Youth empowerment program aimed to enrich the lives of students (6-8th grade) in temporary housing through support services and an environment that encourages youth to achieve and succeed.
- **OBAMA (Overcoming Barriers and Moving Ahead)** - Youth empowerment program aimed to enrich the lives of HS students in temporary housing through support services and an environment that encourages youth to achieve and succeed.
- **ASET (All Sisters Evolving Together)** - Youth empowerment program to enrich the lives of female HS students in temporary housing through support services and an environment that encourages young girls to achieve and succeed.
- **SSS (Student Support Services)** - Provides a broad array of student development, academic enrichment, and parent development services in order to produce positive academic and personal outcomes for students.
- **C.A.R.E (Children Achieving Result Effectively)** - A community based martial arts program, using a comprehensive youth development strategy that includes violence prevention, behavior modification, peer meditation and conflict resolution.

C. Supportive Housing Services

- **Rico's Place** - Supportive housing (14 units) for families where at least one member is living with AIDS.
- **Georgia's Place** - Permanent housing program (48 units) that brings stability, functioning, and self-sufficiency to individuals who are mentally ill or MICA-diagnosed.
- **Ruby's Place** - Permanent housing program (72 units) designed to improve the physical, social, emotional, intellectual who are mentally ill or MICA diagnosed.
- **Beverly’s Place** - In the pre-development phase, this will be a permanent housing program (72 units) with 1-3-bedroom apartments for families.

D. Preventive and Adoption Services for Youth and Families

- **FTR and FTR II (Family Treatment and Rehabilitation Programs)** - Meets the needs of families struggling with substance abuse issues that are threatening to disrupt the family structure.
- **FFT- CW (Functional Family Therapy- Child Welfare)** - An evidence- based family intervention program for at- risk children and youth to improve communication, reduce negativity, and achieve positive outcomes through home- based services.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ***Basis of Accounting*** - The Organization’s consolidated financial statements have been prepared on the accrual basis of accounting. The Organization adheres to accounting principles generally accepted in the United States of America.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. ***Basis of Consolidation*** - The consolidated financial statements include the accounts of CCMS and the Limited Partnerships (collectively, the "Organization"). Upon consolidation, all significant intercompany balances and transactions are eliminated. Non-controlling interests are shown as a component of net assets and equity in the consolidated statements of financial position and the share of the incomes or losses of the LPs attributed to non-controlling interest is shown as a component of the change in without donor restriction net assets and equity in the consolidated statements of activities

C. ***Financial Statement Presentation*** - The Organization maintains its net assets under the following classes:

- Without donor restrictions – represents resources available for support of the Organization's operations over which the Board of Directors has discretionary control as well as investment in property plant and equipment.

- With donor restrictions – represents assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. In addition, this includes resources received subject to donor-imposed stipulations that are maintained intact in perpetuity by the Organization. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

D. ***Contributions and Pledges Receivable*** - Unconditional promises to give (pledges) that are expected to be collected within one year are recorded at net realizable value. Material unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. If material, the discounts on those amounts are computed using risk-adjusted interest rates for the expected term of the promise to give applicable to the years in which the promises are received. Conditional promises to give are not included as support until the conditions are substantially met.

E. ***Cash and Cash Equivalents*** - The Organization considers all highly liquid instruments with initial maturities of three months or less when acquired to be cash equivalents with the exception of cash and short-term investments.

F. ***Investments*** - Investments are reflected at fair value. Fair value measurements are 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, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 7.

G. ***Property and Equipment*** - Property and equipment is stated at cost less accumulated depreciation and amortization. These amounts do not purport to represent replacement or realizable values. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the useful lives of the improvements or the term of the applicable lease. The Organization capitalizes property and equipment with a cost of $500 or more and a useful life of greater than one year. Property and equipment purchased using government support is capitalized in accordance with the requirements of the funding source.

H. ***Government Contracts and Grants*** - The Organization derives revenue from among other sources, cost reimbursement contracts, fees for service programs with government agencies which are recognized as revenue as those cost are incurred and the revenue is earned. Advances received on government grants are recorded as a liability until expenses are incurred, at which time revenue is recognized.

I. ***Allowance for Uncollectible Receivables*** - The Organization determines whether an allowance for uncollectible receivables should be provided for accounts receivable and contract and grants receivable. Such estimates are based on management's assessment of the aged basis of its receivables from government funding sources and contributions, current economic conditions, creditworthiness of contributors and historical information.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. ***Operating and Non-Operating Activities*** - The Organization includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. All activities related to investments, prior year revenue and other are recognized as non-operating activities.

K. ***Due to Funding Sources/Deferred Revenue*** - Advances/deferred revenue represents money received by the Organization under governmental grants for which the Organization has not yet met the grant conditions or provided the services. In addition, it includes amounts due to government agencies that primarily represent advances received during current and prior years. Such amounts will be recouped by the funding sources.

L. ***Functional Allocation of Expenses*** - The cost of providing various program and supporting services has been summarized on a functional basis in the consolidated statement of functional expenses. Accordingly, expenses that are not directly charged to programs and supporting services are allocated among programs and supporting services. The expenses that are allocated include occupancy and utilities, which are allocated on a square footage basis, as well as salaries and wages, benefits, and payroll taxes, which are allocated on the basis of estimates of time and effort.

M. ***Prior Period Activity –*** There are occasions when funding source reimbursements for prior years are adjusted in the current year. Such adjustments may be due to additional monies available over and above original contract amounts, recoupment by funding agencies, audit results and final contract reconciliation by funding agencies, etc.

N. ***Use of Estimates*** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. ***Limited Partners' Interest*** - The noncontrolling limited partners and limited members' interest in the Organization's consolidated statement of financial position represents undistributed profits or losses and capital of the noncontrolling partners and members. For the year ended June 30, 2019, the change in net assets attributable to the noncontrolling interest amounted to a loss of $1,055,158.

P. ***Rental Income*** - Rental income is recognized as rentals become due. Rental income is recognized on the straight-line basis. All leases between the partnership and the tenants of the property are operating leases.

Q. ***Debt Issuance Costs*** - Debt issuance costs are presented as a reduction of the carrying amount of the debt rather than as an asset (see Note 13). Amortization of the debt issuance costs is reported as interest expense in the accompanying consolidated statement of functional expenses.

R. ***Recent Accounting Pronouncements*** - Financial accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities,* was adopted for the year ended June 30, 2019. ASU 2016-14 provides for a number of changes, including the presentation of two classes of net assets and enhanced disclosure on liquid resources and expense allocation. The changes were adopted retrospectively and had no impact on the change in net assets for the year ended June 30, 2018. Net assets as of June 30, 2018 were renamed to conform to the new presentation.

NOTE 3—LIQUIDITY AND AVAILABILITY OF RESOURCES FOR GENERAL EXPENDITURES

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, investments and receivables that provide funding for operations and expenditures as needed.

NOTE 3—LIQUIDITY AND AVAILABILITY OF RESOURCES FOR GENERAL EXPENDITURES (Continued)

As of June 30, 2019, financial assets available for expenditures, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position, include following:

Cash and cash equivalents	$ 2,753,596
Investments	408,725
Contracts and grants receivable, net	3,098,313
Patient accounts receivable	577,550
Restricted deposits and funded reserves	763,344
Total Financial Assets	7,601,528
Less: Restricted deposits and funded reserves	(763,344)
Available to support operations in next twelve months:	$ 6,838,184

In addition, the Organization has a line of credit with maximum drawdown of $2 million.

NOTE 4—PATIENT ACCOUNTS RECEIVABLE

Patient accounts receivable consisted of the following as of June 30, 2019:

Medicaid	$ 239,839
Third Party Payors	337,711
	$ 577,550

For the year ended June 30, 2019, CCMS wrote-off $463,728 of uncollected Medicaid Receivable.

NOTE 5—CONTRACTS AND GRANTS RECEIVABLE, NET

Contract and Grants receivable consisted of the following as of June 30, 2019:

New York City Administration for Children Services	$ 1,054,826
New York City Department of Youth and Community Development	1,063,593
U.S. Department of Housing and Urban Development	283,690
U.S. Department of Homeless Services	31,934
New York City Department of Health and Mental Hygiene	484,387
New York City Department of Education	179,883
	3,098,313
Less: allowance for doubtful accounts	-
Total contract and grants receivable, net	$ 3,098,313

NOTE 6—INVESTMENTS

Investments consisted of the following as of June 30,2019:

Equities	$ 273,547
Fixed Income	135,131
Mutual Funds	47
	$ 408,725

NOTE 6—INVESTMENTS (Continued)

Investments are subject to market volatility that could substantially change their carrying value in the near term.

Investment activity consisted of the following for the year ended June 30, 2019:

Unrealized gain on investment	$ 20,024
Realized gain on investment	9,033
Interest and dividend income	71,618
Investment fees	(6,165)
Total investment activity	$ 94,510

NOTE 7—FAIR VALUE MEASUREMENTS

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 in its assessment of fair value.

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

Investments in money market funds and equities are valued using market prices in active markets “Level 1.” Level 1 instrument valuations are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Investments in corporate obligations and U.S. government bonds and notes are valued using quoted prices in inactive markets “Level 2.” Level 2 instruments valuations are also obtained from similar assets or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

On January 16, 2003, CCMS entered into a single premium deferred Annuity Plan, (hereinafter referred to as the "Plan"). Under the Plan, CCMS is to make a single premium payment of $500,000, which has an effective yield rate of 3.30% per annum. CCMS also entered into a Variable Annuity Plan, (herein referred to as "Life Insurance Plan"); whereby it named its President and CEO as the annuitant on August 11, 2003 for a premium payment of $569,000, with an effective yield rate of 2.95% per annum, and an additional premium payment of $518,580 on October 1, 2003. CCMS accounts for these annuities in accordance with FASB ASC 715 "Employers' Accounting for Defined Benefit Pension and Other Post-Retirement Plans," whereby in participating annuity contracts, the insurer pays the owner part of the earnings from investing the insurance premiums and the annuity payments are recorded at their fair market values.

The Common Investment Fund utilizes screened socially responsible investments to replicate the S&P 500 Index. Shares in the Common Investment Fund are liquid with conversion to cash generally within a few days.

NOTE 7—FAIR VALUE MEASUREMENTS (Continued)

Financial assets carried at fair value as of June 30, 2019, are classified in the table as follows:

	Level 1	Level 2	Total
ASSETS CARRIED AT FAIR VALUE			
Investments:			
Equities	$ 273,547	$ -	$ 273,547
Fixed Income	-	135,131	135,131
Mutual Fund	47	-	47
	273,594	135,131	408,725
Investments held for retirement plan:			
Annuities	-	1,960,698	1,960,698
TOTAL ASSETS AT FAIR VALUE	$ 273,594	$ 2,095,829	$ 2,369,423

NOTE 8—RESTRICTED DEPOSITS AND FUNDED RESERVES

In accordance with partnership agreements and other regulatory agreements, the Limited Partnerships are required to establish and maintain certain reserve accounts.

Reserves and deposits consisted of the following as of June 30, 2019:

Operating reserve	$ 467,856
Replacement Reserve	73,943
Revenue deficit Reserve	221,545
	$ 763,344

NOTE 9—PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of the following as of June 30,2019:

	CCMS	Limited Partnerships	Total	
Land	$ 82,935	$ 5,661,103	$ 5,744,038	
Land improvement	-	503,545	503,545	
Building	279,108	26,064,588	26,343,696	39 years
Equipment	670,297	273,491	943,788	5-10 years
Furniture and fixtures	232,621	677,510	910,131	5-10 years
Leasehold improvements	500,385	-	500,385	5-10 years
Capital improvements	231,380	-	231,380	39 years
Vehicles	18,545	-	18,545	5 years
Construction in progress	-	20,745,097	20,745,097	
Total cost	2,015,271	53,925,334	55,940,605	
Less: accumulated depreciation and amortization	(1,575,849)	(6,317,492)	(7,893,341)	
Net book value	$ 439,422	$ 47,607,842	$ 48,047,264	

Depreciation and amortization expense amounted to $866,334 for the year ended June 30, 2019.

Construction in progress consisted the construction of residential rental building by Beverly's Place L.P., Jean's Place and Rico's Place. Beverly's Place and Jean's Place GP, Inc. construction is expected to be completed in 2020 at an estimated final cost of approximately, $28,067,000 and $464,000. Rico's Place's construction is expected to be completed in 2022 at an estimated final cost of approximately $85 million.

NOTE 10—PATIENT SERVICE REVENUE

Patient Services revenue consisted of the following for year ended June 30, 2019:

Medicaid	$ 1,150,197
Self-Pay	231,748
Third Party Payor	6,332,574
Other Revenue	255,085
	$ 7,969,604

NOTE 11—GRANTS AND CONTRACT SERVICES REVENUE

Grants and contract services revenue consisted of the following for year ended June 30, 2019:

New York City Administration for Children Services	$ 3,372,289
U.S. Department of Housing and Urban Development	396,611
Department of Youth and Community Development	2,575,684
New York City Department of Homeless Services	98,670
New York City Department of Health and Mental Hygiene	1,504,060
U.S. Department of Health and Human Services	528,549
New York City Department of Education	490,947
	$ 8,966,810

NOTE 12—NOTES PAYABLE

Loans payable consist of the following as of June 30, 2019:

Beverly's Place, L.P. entered into a promissory note with a bank in the amount of $5,821,989. The unpaid principal balance of this note is not past due, shall bear interest at fluctuating rate of interest per annum equal to the LIBOR daily floating rate for that day plus two hundred twenty-five (225) basis point. The note matures, August 20, 2020, at which time a balloon payment is due. The note is secured by the Beverly's Place property.	$ 4,054,124
Beverly's Place, L.P. entered into a promissory note with a bank in the amount of $14,607,098. The unpaid principal balance of this note is not past due, shall bear interest at fluctuating rate of interest per annum equal to the LIBOR daily floating rate for that day plus two hundred twenty-five (225) basis point. The loan requires monthly interest-only payments until maturity, August 20, 2020, at which time a balloon payment is due. The note is secured by the Beverly's Place property.	6,855,908
Beverly's Place, L.P. entered into a promissory note with a bank in the amount of $7,323,190. The unpaid principal balance of this note is not past due, shall bear interest at fluctuating rate of interest per annum equal to the LIBOR daily floating rate for that day plus two hundred twenty-five (225) basis point. The loan requires monthly interest-only payment until maturity, August 20, 2020, at which time a balloon payment is due. The note is secured by the Beverly's Place property.	7,323,190
CCMS entered into a promissory note with JP Morgan Chase Bank for $500,000. The note bears interest at 4.91% and payable in monthly installments of $8,333, plus accrued interest. The note matures on November 24, 2020	141,667
	$ 18,374,889

NOTE 12—NOTES PAYABLE (Continued)

Future annual principal payments are as follows for the years ending after June 30, 2019:

2020	$ 100,000
2021	18,274,889
2022	-
2023	-
2024	-
Thereafter	-
	$ 18,374,889

NOTE 13—MORTGAGES PAYABLE, NET

Mortgages payable consist of the following as of June 30, 2019:

Ruby's Place Linden, LP entered into a mortgage Loan agreement with the New York City Department of Housing Preservation and Development ("HPD") in the amount of $6,840,000. The Mortgage accrues in at a rate of 0% before conversion and 2.5% per annum from conversion to maturity. No payments of principal and accrued interest are due until maturity date. The Maturity date of the converted loan is 60 years after the conversion date, which occurred on October 29, 2018. The mortgage is secure by a first lien on the rental property. The accrued interest as June 30, 2019, amounted to $650,343.	$ 6,840,000
Ruby's Place Linden, LP entered into a mortgage Loan agreement with the New York State Homeless Housing and Assistance Corporation ("NYSHHAC") in the amount of $3,500,000. The mortgage bears interest at 6.25% per annum and matures on December 29, 2075. No payments of principal and accrued interest are due until maturity date. The mortgage is secured by a first lien on the rental property. The accrued interest as of June 30, 2019, amounted to $100,107.	3,462,171
Rico's Place Housing Development Fund Corporation entered into a mortgage with HPD. The mortgage bears interest at 1% per annum and matures on May 28, 2032. The mortgage is secured by property. The accrued interest as of June 30, 2019, amounted to $459,721.	2,482,816
Rico's Place Housing Development Fund Corporation entered into a mortgage with HPD in the amount of $464,412. The mortgage bears interest at 2.61% per annum and matures on July 1, 2049. The mortgage is secured by property. The accrued interest as of June 30, 2019, amounted to $4,520.	153,159
Rico's Place Housing Development Fund Corporation entered into a mortgage with New York City Housing Development Corporation ("NYCHDC"). The mortgage bears no interest and matures on July 1, 2049. The mortgage is secured by property.	120,082
Rico's Place Housing Development Fund Corporation entered into a mortgage with NYCHDC. The mortgage bears at 2.61% interest per annum and matures on July 1, 2049. The mortgage is secured by property.	21,846
Georgia's Place, L.P. entered into a noninterest-bearing mortgage with HPD in the amount of 3,372,762. Monthly payments of principal are deferred until the mortgage matures in 2034, The mortgage is secured property.	3,267,145
Georgia's Place, LP entered into a mortgage with NYSHHAC. The mortgage bears at 1% interest per annum and mature 2034. The mortgage is secured by property. The accrued interest as of June 30, 2019, amounted to $324,520.	2,529,000
	18,876,219
Less: Deferred financing costs	(12,071)
	$ 18,864,148

NOTE 14—DUE TO FUNDING SOURCES/DEFERRED REVENUE

Due to funding sources include funds that were received by the Organization under government grants has not yet met the grant conditions. Should these conditions not met, these funds would then be due back to the government funding sources. As of June 30, 2019, total amounts due was $97,726.

NOTE 15—PENSION PLANS

CCMS sponsors a defined benefit pension plan that covers substantially all employees. The plan calls for benefits to be paid to eligible employees at retirement, based primarily upon years of service with CCMS and compensation rates near retirement. Contributions to the plan reflect benefits attributed to employees' services to date, as well as services expected to be earned in the future. Benefit accrued under the plan was frozen effective December 31, 2005.

CCMS recognizes the overfunded or underfunded status of the defined benefit pension plan ("the Plan") as an asset or liability and recognizes changes in that funded status in the year they occur. CCMS uses a June 30 measurement date for the Plan.

The funded status of the Organization Plan as of June 30, 2019:

Change in benefit obligation:	
Benefit obligation at beginning of year	$ 1,460,252
Service cost	29,868
Interest cost	60,317
Actuarial loss	160,122
Benefits paid	(64,322)
Benefit obligation at end of year	1,646,237
Fair value of plan assets	747,714
Funded status	$ (898,523)

As of June 30, 2019, the accumulated benefit obligation for the Organization plan was $1,646,237.

The components of the net periodic benefit cost consisted of the following for the year ended June 30, 2019:

Service cost	$ 29,868
Interest cost	60,317
Actual return on plan assets	(28,037)
Net Amortization and deferral	27,557
	$ 89,705

Amounts not yet amortized as components of net periodic pension costs but recognized in in net assets without donor restriction as of June 30, 2019 amounted to $892,838.

The measurement of the net periodic pension cost for the year ended June 30, 2019 is based on the following assumptions:

Discount rate	3.55%
Long-term rate of return on plan assets	6.00%

NOTE 15—PENSION PLANS (Continued)

Expected future benefit payments are summarized as follows:

2020	$	77,363
2021		72,198
2022		72,941
2023		67,735
2024		66,577
Thereafter		372,287
	$	729,101

As of June 30, 2019, the minimum funding requirement for the plan year December 31, 2018 amounts to $131,135, of which $98,868 was paid on September 12, 2019. In accordance with FASB ASC 715, these financial statements contain a provision for benefit obligation in the amount of $898,523 which represents the excess of projected benefit obligations over the market value of these plan's assets.

NOTE 16—COMMITMENTS AND CONTINGENCIES

A. The Organization committed under various leases certain office facilities and equipment. The leases expire at various dates through the years.

The minimum annual rentals for real property under noncancelable leases are as follows for the years ended after June 30, 2019:

2020	$	1,041,000
2021		1,047,000
2022		1,067,000
2023		1,101,000
2024		1,120,000
	$	5,376,000

Rental expense for the year ended June 30, 2019 amounted to $859,142.

B. Pursuant to the Organization's contractual relationships with certain funding sources, outside agencies have the right to examine the Organization's books and records which pertain to transactions relating to these contracts. The accompanying consolidated financial statements do not include a provision for possible disallowances and reimbursements, except as disclosed in Note 14. CCMS has contracted with various governmental agencies to perform certain healthcare services and receives Medicaid and welfare revenue from the State of New York and the federal government. Reimbursements received under these contracts and payments under Medicaid and welfare are subject to audit by the federal and state governments. Upon audit, if discrepancies are discovered, CCMS could be held responsible for reimbursing the agencies for the amount in question. Although such possible disallowances can be substantial in amount, in the opinion of management, any actual disallowances would be immaterial.

C. CCMS is named in various lawsuits arising in the ordinary course of business. The ultimate resolution of these lawsuits, including any related financial effects on CCMS is currently unknown. CCMS has not provided for any potential future losses arising from the resolution of these matters in the accompanying consolidated financial statements. Despite the inherent uncertainties of litigation, management does not believe that the lawsuits will have a material adverse impact on the financial condition of CCMS at this time.

D. In a letter to CCMS, dated December 16, 2014, the New York State Department of Labor, (NYSDOL) stated that the Organization's contribution account was "underpaid" by $199,732. The Organization contracted with third party representation to contest NYSDOL's findings.

NOTE 16—COMMITMENTS AND CONTINGENCIES (Continued)

E. The Organization believes it has no uncertain tax positions as of June 30, 2019, in accordance with FASB ASC 740, "Income Taxes," which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

F. Under the regulatory agreements the HDFC's and LPs may not increase rent charged to tenants without the approval of the regulatory agencies.

G. Pursuant to the conditions and requirements described in the limited partnership agreements, CCMS has provided certain guarantees to the limited partnerships. In addition, the CCMS wholly-owned general partners are contingently liable for the liabilities of the limited partnerships. Management does not believe that any accrual is required as of June 30, 2019, relating to the guarantees or contingent liabilities because performance under the guarantee is not probable.

H. In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic, which continues to spread throughout the United States. The Organization could be materially and adversely affected by the risks, or the public perception of the risks, related to an epidemic, pandemic, outbreak, or other public health crisis, such as the recent outbreak of COVID-19. The ultimate extent of the impact of any epidemic, pandemic or other health crisis on our mission, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of such epidemic, pandemic or other health crisis and actions taken to contain or prevent their further spread, among others. Accordingly, the Organization cannot predict the extent to which our financial condition and results of operations will be affected

NOTE 17—LINE OF CREDIT

The Organization has a line of credit with a bank that provides for borrowings up to $2,000,000 with interest set at the London Inter-bank Offered Rate ("LIBOR") plus 3.0 % per annum (Interest rate was at 6.17% as of June 30, 2019). The line of credit is renewed annually and matures on May 18, 2020. The outstanding balance as of June 30, 2019 was $503,437. The amount outstanding as of April 2, 2020 amounted to $1,502,853.

NOTE 18—PASS THROUGH GRANT

In a memorandum of understanding dated March 23, 2011, CCMS agreed to perform the role of a fiscal conduit for a community organization with regards to a pass-through grant with the New York City Department of Education, receiving administrative fees of 10% for its services.

NOTE 19—CONCENTRATION

Cash and cash equivalents that potentially subject the Organization to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Accounts are insured up to $250,000 per depositor per institution. As of June 30, 2019, there was approximately $1.6 million, of cash and cash equivalents held by two banks that exceeded FDIC limits.

NOTE 20—NON-CONTROLLING LIMITED PARTNERS' INTERESTS

The Organization has controlling interest in Beverly's Place, L.P Ruby's Place Linden, L.P and Georgia's Place, L.P. which are consolidated in the accompanying consolidated financial statements.

NOTE 20—NON-CONTROLLING LIMITED PARTNERS' INTERESTS (Continued)

A summary of the assets, liabilities and net assets of the partnership as of June 30, 2019 is as follows:

	Total	CCMS' Share	Limited Partners' Share
Assets:			
Reserves, deposits and other assets	$ 1,428,342	$ 143	$ 1,428,199
Property and equipment	44,640,016	4,464	44,635,552
Total Assets	46,068,358	4,607	46,063,751
Liabilities:			
Other	4,067,683	407	4,067,276
Mortgages and loans payable	34,331,538	3,433	34,328,105
Total Liabilities	38,399,221	3,840	38,395,381
Net Assets	$ 7,669,137	$ 767	$ 7,668,370

A summary of the revenue and expenses of limited partnerships for the year ended June 30, 2019 is as follows:

	Total	CCMS' Share	Limited Partners' Share
Revenue	$ 1,493,399	$ 149	$ 1,493,250
Expenses	2,295,604	230	2,295,374
Results of Operations	$ (802,205)	$ (81)	$ (802,124)

In connection with this investment, the Organization has recognized the related non-controlling limited partners' ownership interest as of June 30, 2019 as follows:

For Profit Affiliates	CCMS' Percent of Ownership	CCMS' Interest	Non-controlling Percent of Ownership	Non-controlling Interest
Beverly's Place .LP	0.01%	$ 2	99.99%	$ 19,639
Ruby's Place Linden, L.P	0.01%	(76)	99.99%	(761,641)
Georgia's Place. LP	0.01%	(7)	99.99%	(60,122)
Total		$ (81)		$ (802,124)

NOTE 21—CHANGE IN REPORTING ENTITY

In accordance with Accounting Standards Update ("ASU") 2017-02, "Not-for-Profit Entities – Consolidation," which clarified guidance for consolidating interests in limited partnerships or similar legal entities, the Organization included the three Limited Partnerships in the accompanying consolidated financial statements as of July 1, 2018. In addition, the Organization consolidated a Housing Fund Development Corporation (HDFC) where CCMS is the sole member as of July 1, 2018. The consolidation of the Limited Partnerships and HDFC increased net assets by $6,387,655 as of July 1, 2018.The change in net assets for the year ended June 30, 2019 for these Limited Partnerships and HDFC amounted to ($1,055,158). These changes are reflected as a change in reporting entity on the accompanying consolidated statements of activities.

NOTE 22—PRIOR PERIOD ADJUSTMENTS

Subsequent to the issuance of the prior year financial statements, the Organization's management discovered that net assets accounts, intercompany balances and miscellaneous items were not properly reflected in the June 30, 2018 financial statements and, accordingly the beginning net asset balance was understated by $1,063,880. As a result, for the year ended June 30, 2019, the Organization's net assets balance increased by $1,063,880 from the balance that was previously reported. A summary of the adjustment to the beginning net assets is below:

	As previously Reported	As Restated	Adjustment
Intercompany balance	$ 438,744	$ -	$ 438,744
Net assets	$ 8,020,907	$ -	$ 594,754
Other	$ -	$ -	$ 30,256
Prior year period adjustment	$ -	$ -	$ 1,063,880

NOTE 23—SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the consolidated statement of financial position date through April 2, 2020, the date the consolidated financial statements were available to be issued.

COMMUNITY COUNSELING AND MEDIATION SERVICE, INC. AND AFFILIATES
D/B/A COMMUNITY COUNSELING AND MEDIATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019

	CCMS	Ruby's Place Linden LP	Jean's Place GP, Inc.	Beverly's Place, LP	Rico's Place Housing Development Fund Corporation	Georgia's Place, LP	Consolidating Eliminations	Consolidated Total
ASSETS								
Cash and cash equivalents	$ 1,916,362	$ 584,927	$ -	$ 39,077	$ 45,574	$ 167,656	$ -	$ 2,753,596
Investments	408,725	-	-	-	-	-	-	408,725
Conracts and grants receivable, net	3,098,313	-	-	-	-	-	-	3,098,313
Patient accounts receivable	577,550	-	-	-	-	-	-	577,550
Developer fee receivable	1,730,172	-	-	-	-	-	(1,730,172)	-
Prepaid expenses and other assets	305,689	83,997	-	-	32,665	59,248	-	481,599
Restricted deposits and funded reserves	-	84,178	-	-	269,907	409,259	-	763,344
Investments held for retirement plan	1,960,698	-	-	-	-	-	-	1,960,698
Due from affiliates	2,591,687	-	-	-	-	-	(2,591,687)	-
Property and equipment, net	439,422	18,157,338	1,892,817	21,894,876	1,075,009	4,587,802	-	48,047,264
TOTAL ASSETS	$ 13,028,618	$ 18,910,440	$ 1,892,817	$ 21,933,953	$ 1,423,155	$ 5,223,965	$ (4,321,859)	$ 58,091,089
LIABILITIES								
Accounts payable and accrued expenses	$ 419,206	$ 134,196	$ -	$ 868,372	$ 176,640	$ 163,738	$ (364,429)	$ 1,397,723
Accrued salaries	841,860	95,630	-	-	77,622	29,614	(202,865)	841,861
Accrued interest payable	-	768,223	-	-	464,241	362,455	-	1,594,919
Accrued pension benefits	898,523	-	-	-	-	-	-	898,523
Due to Funding Sources/Deferred revenue	95,568	2,158	-	-	-	-	-	97,726
Security deposit payable	-	2,722	-	-	3,305	-	-	6,027
Due to affiliates	-	1,212,746	1,892,817	15,000	221,173	412,829	(3,754,565)	-
Line of credit	503,437	-	-	-	-	-	-	503,437
Loans payable	141,667	-	-	18,233,222	-	-	-	18,374,889
Mortgages payable	-	10,302,171	-	-	2,765,832	5,796,145	-	18,864,148
TOTAL LIABILITIES	2,900,261	12,517,846	1,892,817	19,116,594	3,708,813	6,764,781	(4,321,859)	42,579,253
NET ASSETS								
Without donor restrictions:								
Operating	10,587,458	639	-	282	(864,742)	(154)	-	9,723,483
Excess of debt over property and equipment	(459,101)	-	-	-	(1,420,916)	-	-	(1,880,017)
	10,128,357	639	-	282	(2,285,658)	(154)	-	7,843,466
Noncontrolling limited partners' interest in Consolidated limited partnerships	-	6,391,955	-	2,817,077	-	(1,540,662)	-	7,668,370
Total without donor restrictions	10,128,357	6,392,594	-	2,817,359	(2,285,658)	(1,540,816)	-	15,511,836
TOTAL NET ASSETS (DEFICIT)	10,128,357	6,392,594	-	2,817,359	(2,285,658)	(1,540,816)	-	15,511,836
TOTAL LIABILITIES AND NET ASSETS	$ 13,028,618	$ 18,910,440	$ 1,892,817	$ 21,933,953	$ 1,423,155	$ 5,223,965	$ (4,321,859)	$ 58,091,089

See independent auditors' report.

COMMUNITY COUNSELING AND MEDIATION SERVICE, INC. AND AFFILIATES
D/B/A COMMUNITY COUNSELING AND MEDIATION
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	CCMS	Ruby's Place Linden LP	Jean's Place GP, Inc.	Beverly's Place, L.P.	Rico's Place Housing Development Fund Corporation	Georgia's Place, L.P.	Consolidating Eliminations	Consolidated Total
	Without Donor restrictions							
Operating Revenue:								
Government grants and Contract services	$ 8,966,810	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,966,810
Patient Services, net	7,969,604	-	-	-	-	-	-	7,969,604
Contributions	11,430	-	-	-	-	-	-	11,430
Development fees	47,648	-	-	-	-	-	(47,648)	-
Management fees	635,520	-	-	-	-	-	(635,520)	-
Rental income	-	885,988	-	-	311,466	573,098	-	1,770,552
Other revenue	121,427	4,550	-	20,360	4,364	9,403	-	160,104
NYC DOE - Pass Through Grant (Note 17)	179,375	-	-	-	-	-	-	179,375
Total Operating Revenue	17,931,814	890,538	-	20,360	315,830	582,501	(683,168)	19,057,875
Operating Expenses:								
Program Services:								
Mental Health HIV/AIDS and Substance Abuse	6,528,085	-	-	-	-	-	-	6,528,085
Education and Youth Development	2,841,208	-	-	-	-	-	-	2,841,208
Housing	2,367,548	1,652,255	-	719	568,783	642,630	(683,168)	4,548,767
Preventive and Adoption Services for Youth and Families	2,911,973	-	-	-	-	-	-	2,911,973
NYC DOE - Pass Through Grant (Note 17)	179,375	-	-	-	-	-	-	179,375.00
Total Program Services	14,828,189	1,652,255	-	719	568,783	642,630	(683,168)	17,009,408
Supporting Services:								
Management and General	2,031,163	-	-	-	-	-	-	2,031,163
Total Supporting Services	2,031,163	-	-	-	-	-	-	2,031,163
Total Operating Expenses	16,859,352	1,652,255	-	719	568,783	642,630	(683,168)	19,040,571
Change In Net Assets From Operations	1,072,462	(761,717)	-	19,641	(252,953)	(60,129)	-	17,304
Non-Operating Revenue:								
Investment activity	94,510	-	-	-	-	-	-	94,510
Total Non-Operating Revenue	94,510	-	-	-	-	-	-	94,510
Change in Net Assets Before Pension Related Changes	1,166,972	(761,717)	-	19,641	(252,953)	(60,129)	-	111,814
Pension and postretirement related changes other than net periodic pension cost	(123,402)	-	-	-	-	-	-	(123,402)
CHANGE IN NET ASSETS	1,043,570	(761,717)	-	19,641	(252,953)	(60,129)	-	(11,588)
Net Assets - Beginning of Year, as originally stated	8,020,907	-	-	-	-	-	-	8,020,907
Prior period adjustments	1,063,880	-	-	-	-	-	-	1,063,880
Net Assets - Beginning of Year, as restated	9,084,787	-	-	-	-	-	-	9,084,787
	-	7,154,311	-	2,797,718	(2,032,705)	(1,480,687)	-	6,438,637
NET ASSETS - END OF YEAR	$ 10,128,357	$ 6,392,594	$ -	$ 2,817,359	$ (2,285,658)	$ (1,540,816)	$ -	$ 15,511,836

See independent auditors' report.