CHAPMAN PARTNERSHIP, INC. AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

MBAF
MORRISON BROWN ARGIZ & FARRA, LLC
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Chapman Partnership, Inc. and Affiliate

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Chapman Partnership, Inc. and Affiliate (a non-profit organization), which comprise the consolidated statements of financial position as of September 30, 2014 and 2013, and the related consolidated statements of activities, and cash flows for the years 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.

Auditor's 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 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 Chapman Partnership, Inc. and Affiliate as of September 30, 2014 and 2013, 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.

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Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental schedules on pages 25-27 are presented for purposes of additional analysis 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 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2015, on our consideration of Chapman Partnership, Inc. and Affiliate’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Chapman Partnership, Inc. and Affiliate’s internal control over financial reporting and compliance.

Morrison, Brown, Argiz & Farra

Miami, Florida
January 27, 2015

CHAPMAN PARTNERSHIP, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30,

ASSETS	2014	2013
Cash and cash equivalents (including temporarily restricted cash of $859,141 and $1,006,306 at September 30, 2014 and 2013, respectively)	$ 4,998,250	$ 4,306,863
Grant and other receivables	375,674	406,136
Prepaid expenses and other assets	477,354	445,995
Pledges receivable, net	1,240,690	1,861,864
Restricted cash equivalents	893,232	614,098
Investments	37,513,547	34,179,170
Other investment	632,000	632,000
Property, plant and equipment, net	13,502,770	13,756,001
TOTAL ASSETS	**$ 59,633,517**	**$ 56,202,127**
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable, accrued expenses and other liabilities	$ 636,326	$ 621,916
Deferred revenue	3,180,000	3,094,725
TOTAL LIABILITIES	3,816,326	3,716,641
NET ASSETS		
Unrestricted	17,051,690	16,294,411
Temporarily restricted	20,060,824	17,693,631
Permanently restricted	18,704,677	18,497,444
TOTAL NET ASSETS	55,817,191	52,485,486
TOTAL LIABILITIES AND NET ASSETS	**$ 59,633,517**	**$ 56,202,127**

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

CHAPMAN PARTNERSHIP, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
PUBLIC SUPPORT				
Miami-Dade County Homeless Trust	$ 9,128,608	$ 336,870	$ -	$ 9,465,478
Miami-Dade County Public Schools	110,634	-	-	110,634
State of Florida	252,331	-	-	252,331
TOTAL PUBLIC SUPPORT	9,491,573	336,870	-	9,828,443
REVENUES				
Revenues from private sources	4,891,524	-	207,233	5,098,757
Investment income, net	99,538	2,754,929	-	2,854,467
Other	19,765	-	-	19,765
In-kind revenues	1,500,083	-	-	1,500,083
TOTAL REVENUES	6,510,910	2,754,929	207,233	9,473,072
NET ASSETS RELEASED FROM RESTRICTIONS	724,606	(724,606)	-	-
TOTAL PUBLIC SUPPORT AND REVENUES	16,727,089	2,367,193	207,233	19,301,515
EXPENSES				
Program	13,342,829	-	-	13,342,829
Management and general	1,411,286	-	-	1,411,286
Fundraising	1,215,695	-	-	1,215,695
TOTAL EXPENSES	15,969,810	-	-	15,969,810
INCREASE IN NET ASSETS	757,279	2,367,193	207,233	3,331,705
NET ASSETS AT BEGINNING OF YEAR	16,294,411	17,693,631	18,497,444	52,485,486
NET ASSETS AT END OF YEAR	**$ 17,051,690**	**$ 20,060,824**	**$ 18,704,677**	**$ 55,817,191**

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

CHAPMAN PARTNERSHIP, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
PUBLIC SUPPORT				
Miami-Dade County Homeless Trust	$ 8,777,537	$ 510,325	$ -	$ 9,287,862
Miami-Dade County Public Schools	144,655	-	-	144,655
State of Florida	235,723	-	-	235,723
TOTAL PUBLIC SUPPORT	9,157,915	510,325	-	9,668,240
REVENUES				
Revenues from private sources	4,682,171	97,500	215,312	4,994,983
Investment income, net	4,456	2,621,149	-	2,625,605
Other	1,479	-	-	1,479
In-kind revenues	908,258	-	-	908,258
TOTAL REVENUES	5,596,364	2,718,649	215,312	8,530,325
NET ASSETS RELEASED FROM RESTRICTIONS	686,313	(686,313)	-	-
TOTAL PUBLIC SUPPORT AND REVENUES	15,440,592	2,542,661	215,312	18,198,565
EXPENSES				
Program	12,045,134	-	-	12,045,134
Management and general	1,935,142	-	-	1,935,142
Fundraising	1,215,792	-	-	1,215,792
TOTAL EXPENSES	15,196,068	-	-	15,196,068
INCREASE IN NET ASSETS	244,524	2,542,661	215,312	3,002,497
NET ASSETS AT BEGINNING OF YEAR	16,049,887	15,150,970	18,282,132	49,482,989
NET ASSETS AT END OF YEAR	**$ 16,294,411**	**$ 17,693,631**	**$ 18,497,444**	**$ 52,485,486**

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

CHAPMAN PARTNERSHIP, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30,

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 3,331,705	$ 3,002,497
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	690,990	648,563
Net realized and unrealized investment gains	(2,006,703)	(1,863,916)
Contributions restricted for endowment	(200,000)	(200,000)
Provision for doubtful accounts	73,800	26,635
Amortization of discount on pledges receivable	7,233	15,789
Changes in operating assets and liabilities:		
Decrease (increase) in grant and other receivables	30,462	(246,560)
Increase in prepaid expenses and other assets	(31,359)	(40,091)
Decrease (increase) in pledges receivable	540,141	(29,708)
Increase in accounts payable, accrued expenses and other liabilities	14,410	128,790
Increase in deferred revenue	85,275	74,650
TOTAL ADJUSTMENTS	(795,751)	(1,485,848)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,535,954	1,516,649
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant, and equipment	(437,759)	(1,975,608)
Net (purchases) proceeds of investments	(1,327,674)	323,406
Net purchases of assets restricted for investment in endowment	(279,134)	(189,081)
NET CASH USED IN INVESTING ACTIVITIES	(2,044,567)	(1,841,283)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from contributions restricted for permanent endowment	200,000	200,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	200,000	200,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	691,387	(124,634)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	4,306,863	4,431,497
CASH AND CASH EQUIVALENTS - END OF YEAR	**$ 4,998,250**	**$ 4,306,863**

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

	2014	2013
NON-CASH OPERATING TRANSACTIONS		
In-kind services and donations	**$ 1,500,083**	**$ 908,258**

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

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Chapman Partnership, Inc. (“Chapman”) incorporated in Florida on July 23, 1993, is a not-for-profit organization that was organized to build up to three Homeless Assistance Centers for the homeless, to organize the efforts of local organizations to create and implement a comprehensive plan to assist homeless individuals, and to educate residents on homeless issues, all in Miami-Dade County. The first center opened in October 1995. The second center opened in 1998. Chapman receives its support from the Miami-Dade County Homeless Trust, Miami-Dade County Public Schools, and other public and private organizations and individuals. Presently, there are no plans to build a third center.

In December 2012, Chapman established a wholly-owned non-profit organization named CP 1551, Inc., for the purpose of acquiring real property.

Chapman Partnership, Inc. offers a comprehensive, holistic approach to homeless assistance through onsite services and partnerships that help residents attain self-sufficiency and housing stability. These resources include a wide array of programs that go far beyond just emergency shelter, and include comprehensive case management; health, dental and mental health care; child care; job development, training and placement; and permanent housing assistance facilitated by a variety of social service agencies – all located under one roof.

Healthcare at Chapman encompasses medical, dental and mental health services. Health clinics located at Chapman Partnership North and Chapman Partnership South are designed to stabilize and address the immediate needs of residents, including acute health problems and chronic conditions, and serve as a resident’s primary care provider during their stay. Through the operation of a Mobile Dental Unit, residents have access to preventive and restorative oral health care, including dental exams, X-rays, cleanings, fillings and tooth extractions. Mental health services help residents deal with common diagnoses, such as depression and anxiety disorders, bipolar disease and schizophrenia.

The Family Resource Centers at Chapman Partnership North and Chapman Partnership South empower the homeless by creating a nurturing environment where children can succeed. Family Resource Centers offer after school and full-day summer programming that promotes positive, healthy development among adolescents and teens; as well as year-round evening family enrichment activities that foster family bonding, contributing to the overall wellbeing of the family unit.

The job development program operated at Chapman Partnership North and Chapman Partnership South includes vocational training and education in culinary arts, environmental services, security, and other career fields; work readiness assistance (e.g., resume writing, interview skills, and computer training); and job placement, with the goal of assisting persons experiencing homelessness in securing full-time jobs paying above minimum wage.

Basis of Presentation and Principles of Consolidation

The consolidated financial statements include the accounts of Chapman Partnership, Inc. and its affiliate, CP 1551, Inc., collectively referred to as the “Organization”. All intercompany balances and transactions have been eliminated in the accompanying consolidated financial statements.

The consolidated financial statements are prepared using the accrual basis of accounting. Net assets, revenue, gains and losses are classified into three classes of net assets based on the existence or absence of donor-imposed restrictions. In addition, the Organization is required to present consolidated statements of cash flows. The three net asset categories are reflected in the accompanying consolidated financial statements as follows:

Unrestricted - Net assets which are free of donor-imposed restrictions. Includes all revenues, gains and losses that are not changes in permanently or temporarily restricted net assets.

Temporarily Restricted - Net assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or that can be fulfilled or removed by actions of the Organization pursuant to those stipulations.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation and Principles of Consolidation (Continued)

Permanently Restricted - Net assets whose use by the Organization is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") 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 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.

Cash and Cash Equivalents

Cash and cash equivalents include investments with original maturities of three months or less.

Restricted Cash Equivalents

Restricted cash equivalents represent cash restricted by donors for the Organization's endowment. Restricted cash is for long-term purposes.

Investments

The Organization reports its investments in marketable securities with readily determinable fair values and all investments in debt securities at fair value in the Consolidated Statements of Financial Position.

Investment income, net (including realized and unrealized gains and losses on investments, interest and dividends) is included in the accompanying Consolidated Statements of Activities as increases in unrestricted net assets unless income is restricted by donor or law.

Concentration of Credit and Market Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash deposits in excess of the Federal Deposit Insurance Corporation ("FDIC") insured limits. The Organization limits its exposure by placing its deposits with quality financial institutions. At times, such balances may be in excess of the insurance limits of the FDIC. The Organization has not experienced losses in such accounts.

Investments are subject to both credit and market risks. Credit risk is the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Market risk is the possibility that fluctuations in the investment market will impact the value of the portfolio. The Organization's investments in equity and fixed income securities are considered a concentration of market risk as they are approximately 53% and 43%, respectively, of total investments at September 30, 2014 and approximately 54% and 41%, respectively, of total investments at September 30, 2013. The Organization has an investment policy and utilizes management oversight, and regularly reviews its investment portfolio to monitor these risks.

Fair Value of Financial Instruments

The fair value of financial instruments is determined by reference to various market data and other valuation techniques, as appropriate. Unless otherwise disclosed, the fair value of financial instruments approximates their recorded values due primarily to the short-term nature of their maturities.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable and Contributions

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor-imposed restrictions. Contributions with donor-imposed restrictions are reported as restricted support. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted. Conditional promises to give are recognized when the conditions are substantially met.

Unconditional pledges to give cash and other assets are reported at fair value at the date the pledge is received to the extent estimated to be collectible by the Organization. Pledges received with donor restrictions that limit the use of the donated assets are reported as temporarily or permanently restricted support.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, or when cash is collected on unconditional pledges in excess of current year pledge revenue, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the Consolidated Statements of Activities as net assets released from restrictions.

Pledges receivable due in excess of one year are discounted at the present value of their estimated future cash flows. Unconditional promises and grants and other receivables are recorded in the Consolidated Statements of Financial Position at fair value estimated by discounted cash flow analysis, using an average discount rate of 5% for the years ended September 30, 2014 and 2013. Management reviews outstanding pledges on an ongoing basis. Management provides for probable uncollectible pledges through a provision for bad debt expense and an adjustment to the allowance based on its assessment of the current status of individual pledges receivable. Pledges receivable are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Property, Plant and Equipment, Net

Property, plant and equipment are stated at cost of acquisition or fair value at the date of donation in the case of gifts. The Organization leases the land on which the first Homeless Assistance Center is located from the Miami-Dade County School Board over a period of 40 years at a cost of $1 per year. The appraised value of this leasehold was $425,000 and has been recorded by the Organization as in-kind revenue in a prior year. The leasehold is being amortized over a period of 40 years. Leasehold improvements are capitalized on the basis of cost and equipment acquired or donated is capitalized at cost or fair value at the date of acquisition or donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. In the absence of donor-imposed restrictions on the use of an asset, gifts of long-lived assets are reported as unrestricted support.

Estimated useful lives of property, plant and equipment are as follows:

Asset	Life
Leasehold, buildings and leasehold improvements	Shorter of useful life or lease term
Furniture and fixtures	10 years
Computer equipment	3 years
Automobiles	3 years

Deferred Revenue

The Organization records deferred revenue for monies received in advance for special events and other programs that have not taken place as of year end.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-Kind Donations

The Organization receives office equipment, personal services, and other items as in-kind donations. These donations are recorded at management's estimate of fair market value at the date of donation.

Functional Allocation of Expenses

The cost of providing various programs and other activities has 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.

Income Taxes

Chapman Partnership, Inc. is a not-for-profit corporation whose revenue is derived from contributions and other fund-raising activities and is not subject to federal or state income taxes. Chapman Partnership, Inc. is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code. CP 1551, Inc. is a not-for-profit corporation.

The Organization recognizes and measures tax positions based on their technical merit and assesses the likelihood that the positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other non-interest expense, respectively.

The U.S. federal jurisdiction and the State of Florida jurisdiction are the major tax jurisdictions where the Organization files income tax returns. The Organization is generally no longer subject to U.S. Federal or State examinations by tax authorities for years before 2011.

Adopted Accounting Pronouncement

Not-for-Profit Entities: Classification of the Sale Proceeds of Donated Financial Assets in the Statement of Cash Flows

In October 2012, the Financial Accounting Standards Board ("FASB") issued an accounting standard update which provides guidance to not-for-profit entities for classifying cash flows from the sale of donated financial assets. The update is effective prospectively for fiscal years, and interim periods within those years, beginning after June 15, 2013, with early adoption and retrospective application permitted. The adoption of this accounting standard update did not have a material effect on the Organization's consolidated financial statements.

Recent Accounting Pronouncement

Services Received from Personnel of an Affiliate

In April 2013, the FASB issued an accounting standard update which requires not-for-profit entities to apply similar recognition and measurement bases for services received from personnel of an affiliate that directly benefit the recipient not-for-profit entity and for which the recipient not-for-profit entity is not charged by the affiliate. The update requires that those services be measured at the cost recognized by the affiliate for the personnel providing those services unless such measurement would significantly overstate or understate the value of the service received, in which case the recipient not-for-profit entity may elect to recognize such services at the fair value of the service. The update is effective prospectively for fiscal years beginning after June 15, 2014, and interim periods thereafter, with early adoption permitted. The Organization is currently evaluating the effect the update will have on its consolidated financial statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

The Organization has evaluated subsequent events through January 27, 2015 which is the date the consolidated financial statements were available to be issued.

2. PLEDGES RECEIVABLE, NET

The following are schedules of payments due relating to outstanding pledges receivable from various corporations, organizations and individuals. These payments have been discounted using an average discount rate of 5% for 2014 and 2013. Pledges receivable, net is as follows at September 30:

	2014	2013
Pledges due in:		
Less than one year	$ 1,040,705	$ 1,585,312
One to five years	275,000	275,000
More than five years	65,000	75,000
Total	1,380,705	1,935,312
Less: Discount on long-term pledges	(46,215)	(53,448)
Less: Allowance for uncollectible pledges	(93,800)	(20,000)
Total discount and allowance	(140,015)	(73,448)
Pledges receivable, net	**$ 1,240,690**	**$ 1,861,864**

For the years ended September 30, 2014 and 2013, the provision for doubtful accounts totaled $73,800 and $26,635, respectively.

3. INVESTMENTS

Investments are presented in the consolidated financial statements at fair market value and consist of the following at September 30:

	2014	2013
Domestic equity	$ 15,368,154	$ 14,040,086
International equity	4,483,086	4,319,131
Global fixed income:		
Corporate	2,361,160	1,366,224
Government	-	125,767
Domestic fixed income:		
Corporate	9,232,105	7,796,057
Government	4,434,752	4,867,372
Commodity futures	1,634,290	1,664,533
Total	**$ 37,513,547**	**$ 34,179,170**

3. INVESTMENTS (CONTINUED)

The following schedules summarize the investment return and its classification in the Consolidated Statements of Activities for the years ended September 30, 2014 and 2013:

2014	**Unrestricted**	**Temporarily Restricted**
Interest and dividend income	$ 138,499	$ 709,265
Net realized and unrealized (losses) gains on investments	(38,961)	2,045,664
	$ 99,538	**$ 2,754,929**

2013	**Unrestricted**	**Temporarily Restricted**
Interest and dividend income	$ 114,007	$ 647,682
Net realized and unrealized (losses) gains on investments	(109,551)	1,973,467
	$ 4,456	**$ 2,621,149**

4. OTHER INVESTMENT

During the year ended September 30, 2010, the Organization was a 60% beneficiary of assets disbursed from a charitable remainder annuity trust (“Charitable Trust”). The Charitable Trust assets consisted of cash and real property located in Miami, Florida. The Organization recorded as an unrestricted contribution and other investment 60% of the fair market value of the Charitable Trust assets, which amounted to $600,000 during the year ended September 30, 2010. A new appraisal was done on September 1, 2011 showing no change in the fair market value of the Charitable Trust assets.

Brickell Trust 8th Street Property, LLC (“LLC”), a Florida limited liability company, was incorporated on June 3, 2010. The LLC was organized as a joint venture between the Organization and the other six beneficiaries of the Charitable Trust assets to acquire, own, develop, finance, sell, lease or otherwise dispose of the real property and interests in real property, and to do any and all things necessary, convenient or incidental to that purpose and to engage in such other lawful activities as are reasonably necessary or useful to the furtherance of the foregoing purpose, upon and subject to the terms and conditions of the LLC Agreement.

During the year ended September 30, 2012, the Organization acquired for $32,000 the interests of two beneficiaries which had 5% interests in the LLC. As a result, the Organization owns 70% of the LLC at September 30, 2014 and 2013. The other investment was $632,000 for the years ended September 30, 2014 and 2013.

5. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net, consists of the following at September 30:

	2014	2013
Land	$ 1,495,000	$ 1,495,000
Buildings	146,960	146,960
Leasehold	511,618	511,618
Leasehold improvements	18,468,099	18,146,751
Furniture and fixtures	2,155,612	2,145,203
Computer equipment	1,859,608	1,787,152
Automobiles	844,813	811,271
	25,481,710	25,043,955
Less accumulated depreciation	(11,978,940)	(11,287,954)
Total	**$ 13,502,770**	**$ 13,756,001**

Depreciation expense was $690,990 and $648,563 for the years ended September 30, 2014 and 2013, respectively.

6. TEMPORARILY RESTRICTED NET ASSETS

The Organization's temporarily restricted net assets consist of assets which have been restricted by the donor either as to the purpose or the passage of time. The time restrictions will be met in future periods and the purpose restrictions will be met when net assets are used for the specific purpose.

Contributions received for the acquisition of property, plant and equipment are reported as temporarily restricted assets as long as those assets continue to be in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets each year for the amount of depreciation expense relating to the acquired property, plant and equipment.

7. PERMANENTLY RESTRICTED NET ASSETS

The permanently restricted net assets consist of endowment contributions to the Organization. The donors have instructed the Organization that the principal cannot be expended; however, the earnings generated by the originally donated principal are available to be expended. Any earnings are included in temporarily restricted or unrestricted net assets as earnings are expended. Permanently restricted net assets were $18,704,677 and $18,497,444 as of September 30, 2014 and 2013, respectively.

8. FAIR VALUE MEASUREMENTS

The FASB Accounting Standards Codification ("ASC") 820 *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes 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 assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 Inputs to the valuation methodology include:
    - quoted prices for similar assets or liabilities in active markets;
    - quoted prices for identical or similar assets or liabilities in inactive markets;
    - inputs other than quoted prices that are observable for the asset or liability;
    - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2014 and 2013.

Domestic and international equity investments are valued at the closing price reported on the active market in which the individual securities are traded.

Global and domestic fixed income investments are valued at the closing price reported in the active market in which the individual securities are traded.

Commodities are valued at net asset value ("NAV"), which is determined daily by the individual fund. These investments are redeemable at their net asset value per share on a daily basis. Additionally, there are no unfunded commitments or redemption notice or lock up periods. In determining the fair value level, the Organization considers the length of time until the investment is redeemable, including notice and lock up periods or any other restriction on the disposition of the investment.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The values assigned to certain investments are based upon currently available information and do not necessarily represent amounts that may ultimately be realized. Because of the inherent uncertainty of valuation, those estimated fair values may differ significantly from the values that would have been used had a ready market for the investments existed and the differences could be material.

8. FAIR VALUE MEASUREMENTS (CONTINUED)

Items Measured at Fair Value on a Recurring Basis

The following tables represent the Organization's financial instruments measured at fair value on a recurring basis at September 30, 2014 and 2013 for each of the fair value hierarchy levels:

		Fair Value Measurements at September 30, 2014		
Description	**9/30/2014**	**Quoted Prices In Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Other Unobservable Inputs (Level 3)**
Assets:				
Domestic equity	$ 15,368,154	$ 15,368,154	$ -	$ -
International equity	4,483,086	4,483,086	-	-
Global fixed income:				
Corporate	2,361,160	2,361,160	-	-
Domestic fixed income:				
Corporate	9,232,105	9,232,105	-	-
Government	4,434,752	4,434,752	-	-
Commodity futures	1,634,290	1,634,290	-	-
	$ 37,513,547	**$ 37,513,547**	**$ -**	**$ -**

		Fair Value Measurements at September 30, 2013		
Description	**9/30/2013**	**Quoted Prices In Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Other Unobservable Inputs (Level 3)**
Assets:				
Domestic equity	$ 14,040,086	$ 14,040,086	$ -	$ -
International equity	4,319,131	4,319,131	-	-
Global fixed income:				
Corporate	1,366,224	1,366,224	-	-
Government	125,767	125,767	-	-
Domestic fixed income:				
Corporate	7,796,057	7,796,057	-	-
Government	4,867,372	4,867,372	-	-
Commodity futures	1,664,533	1,664,533	-	-
	$ 34,179,170	**$ 34,179,170**	**$ -**	**$ -**

Items Measured at Fair Value on a Nonrecurring Basis

There were no financial assets measured at fair value on a nonrecurring basis at September 30, 2014 and 2013.

9. ENDOWMENT

The Organization's endowment consists of individual funds established for a variety of purposes. Its endowment is comprised of donor-restricted endowment funds. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

In June 2011, the State of Florida adopted the Florida Uniform Prudent Management of Institutional Funds Act ("FUPMIFA"). The Organization has interpreted the FUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by the FUPMIFA.

In accordance with the FUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund;

(2) The purposes of the Organization and the donor-restricted endowment fund;

(3) General economic conditions;

(4) The possible effect of inflation and deflation;

(5) The expected total return from income and the appreciation of investments;

(6) Other resources of the Organization;

(7) The investment policies of the Organization.

For the years ended September 30, 2014 and 2013, the Organization has elected not to add appreciation for cost of living or other spending policies to its permanently restricted endowment for inflation and other economic conditions.

Summary of Endowment Assets:

Endowment assets as of September 30 are comprised of the following:

	2014	2013
Restricted cash equivalents	$ 893,232	$ 614,098
Pledges receivable, net	403,785	621,552
Investments	30,872,092	27,972,363
Deferred revenue	(200,000)	(200,000)
	$ 31,969,109	**$ 29,008,013**

Summary of Endowment Net Assets September 30, 2014:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	**$ -**	**$ 13,264,432**	**$ 18,704,677**	**$ 31,969,109**

9. ENDOWMENT (CONTINUED)

Summary of Endowment Net Assets September 30, 2013:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	**$ -**	**$ 10,510,569**	**$ 18,497,444**	**$ 29,008,013**

Changes in endowment net assets during the year ended September 30, 2014:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning	$ -	$ 10,510,569	$ 18,497,444	$ 29,008,013
Interest and dividends	-	708,199	-	708,199
Net investment appreciation	-	2,045,664	-	2,045,664
Contributions	-	-	207,233	207,233
Endowment net assets, ending	**$ -**	**$ 13,264,432**	**$ 18,704,677**	**$ 31,969,109**

Changes in endowment net assets during the year ended September 30, 2013:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning	$ -	$ 7,891,043	$ 18,282,132	$ 26,173,175
Interest and dividends	-	646,059	-	646,059
Net investment appreciation	-	1,973,467	-	1,973,467
Contributions	-	-	215,312	215,312
Endowment net assets, ending	**$ -**	**$ 10,510,569**	**$ 18,497,444**	**$ 29,008,013**

Funds with Deficiencies

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or the FUPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in unrestricted net assets. There were no such deficiencies as of September 30, 2014 and 2013.

Return Objectives and Risk Parameters

The Organization has adopted an investment and spending policy for endowment assets that attempts to preserve the real (inflation adjusted) value of endowment assets, increase the real value of the portfolio and facilitate a potential distribution to support some level of future operations. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s).

Strategies Employed for Achieving Objectives

As approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that are commensurate with an intermediate-long term investment time horizon. This is expected to be achieved by assuming a moderate level of risk. The Organization expects its endowment funds, over time, to provide a rate of return in excess of the original permanently restricted principal. Actual returns in any given year may vary.

The endowment funds are managed with the following objectives:

a) Maintain the safety of the principal
b) Maintain the necessary liquidity to ensure funds are available to support operational needs
c) Obtain a reasonable return for a prudent level of risk.

9. ENDOWMENT (CONTINUED)

Spending Policy and How the Investment Objectives Related to Spending Policy

Management has adopted an endowment investment policy that establishes the maximum percentage of endowment earnings that can be used to fund operations. The spending rate for the Organization will range from 2% to 6%. Funds will be withdrawn as approved by the Board of Trustees to offset the operational expenses and to fund new programs/projects. Historically, the Organization has not used any of its endowment earnings to fund operations.

10. RELATED PARTY TRANSACTIONS

Certain members of the Board of Trustees made contributions of approximately $372,000 and $357,000 during the years ended September 30, 2014 and 2013, respectively. The amounts outstanding in pledges receivable from members of the Board of Trustees at September 30, 2014 and 2013 was approximately $177,000 and $313,000, respectively.

11. COUNTY AGREEMENT AND AGREEMENTS WITH MIAMI-DADE COUNTY PUBLIC SCHOOLS

The Board of County Commissioners of Miami-Dade County (the “County Board”) imposes a 1% food and beverage sales tax on any business that has liquor licenses that gross in excess of $400,000 of revenue and dedicates a portion of such proceeds to benefit persons who are or are about to become homeless. The County Board adopted a plan for the expenditure of the tax proceeds and created the Miami-Dade County Homeless Trust (the “Trust”).

The Organization entered into a five-year service agreement on December 14, 1993 with Miami-Dade County through the Trust that was renewable for five consecutive five-year terms at the discretion of the Trust. The first of these five-year renewals was entered into in 1998 and covered a period ending December 31, 2003. On December 2, 2003, the Organization signed a second renewal and an amendment agreement covering the second and third renewal periods from December 15, 2003 through December 16, 2013. In October 2013, the Trust approved two additional five-year terms through December 16, 2023.

In connection with the service agreement entered into with the Trust in 1993, the Organization raised the required $8.5 million within the specified time frame to site, design, construct, and operate up to three Homeless Assistance Centers for the homeless population of Miami-Dade County. Upon termination of the service agreement, assets acquired with tax proceeds and/or the $8.5 million are required to be returned to the Trust. Cash, in-kind contributions, and property raised by the Organization in excess of this $8.5 million are outside the scope of the service agreement.

Amounts received from the Trust for the operation of the homeless assistance centers and capital expenditures were $9,465,478 and $9,287,862, for the years ended September 30, 2014 and 2013, respectively.

On May 5, 1994, the Miami-Dade County School Board (the “School Board”) leased the land where the first Homeless Assistance Center was constructed to the Organization. The lease has a 40-year term, for which the Organization pays $1 per year rent. The Organization also entered into an agreement on November 22, 1994 with the School Board wherein the Organization agreed to construct approximately 7,000 square feet of space within the first Homeless Assistance Center pursuant to the School Board’s educational specifications and needs. It also agreed that this space would be reserved for use by the School Board for an education component for a term of 40 years. In exchange, the School Board agreed to pay the Organization for its proportionate share of construction and equipment costs, which amounted to approximately $769,000 and was received by the Organization during 1995.

11. COUNTY AGREEMENT AND AGREEMENTS WITH MIAMI-DADE COUNTY PUBLIC SCHOOLS (CONTINUED)

On September 20, 1995, the Organization and the School Board entered into a third agreement whereby the School Board agreed to reimburse the Organization for its share of operational costs related to its educational facilities. An amendment to the educational facilities operation agreement for the homeless facility in Homestead was signed on July 15, 2004. Both parties agreed upon a fixed amount of reimbursement to the Organization for its share of operational costs related to its educational facilities. Total reimbursements to the Organization during the years ended September 30, 2014 and 2013, amounted to approximately $111,000 and $145,000, respectively.

The Organization pays $1 per year rent to Miami-Dade County for the Homestead facility.

12. CONCENTRATIONS OF PLEDGES RECEIVABLE, SUPPORT AND REVENUES

Concentrations of risk exist with respect to contributions and pledges made to the Organization during the year. Revenues from private sources totaling approximately $1,000,000 from one donor were made during the years ended September 30, 2014 and 2013. The Organization received approximately 50% and 52% of its total public support and revenues from Miami-Dade County during the years ended September 30, 2014 and 2013, respectively.

13. RETIREMENT PLANS

On January 1, 1997, the Organization initiated a 401(k) tax-deferred savings plan, administered by an independent trustee, covering substantially all employees meeting a 90-day minimum service requirement. Contributions made by the Organization to the 401(k) plan are based on a specified percentage of employee contributions. The Organization’s contribution to the plan for the years ended September 30, 2014 and 2013, totaled $169,734 and $147,579, respectively.

On September 12, 2011, the Organization adopted a 457(f) non-qualified deferred compensation plan for the President & Chief Executive Officer (“CEO”). The Organization’s initial contribution of $95,000 was contributed on September 26, 2011. Thereafter, effective October 1, 2011, bi-weekly contributions of 7.5% of the President & CEO’s base salary will be deposited by wire into a newly opened retirement account at a financial institution for the benefit of the President & CEO. The agreement calls for the President & CEO to remain with the Organization at least through September 2017. Upon separation from service, retirement, disability or death, the plan assets would be transferred to the President & CEO or his beneficiary. The assets set aside to fund the plan are owned by the Organization and are included as an asset within “Prepaid expense and other assets” and as a corresponding liability within “Accounts payable, accrued expenses and other liabilities” on the Consolidated Statements of Financial Position. The balance in the deferred compensation account was approximately $169,000 and $144,000 at September 30, 2014 and 2013, respectively. The Organization’s contribution to the plan for the years ended September 30, 2014 and 2013 totaled $15,404 and $14,601, respectively.

14. COMMITMENTS AND CONTINGENCIES

The Organization has contracts and grants with various grantors. These grants are subject to review and audit. However, management is of the opinion that any disallowance of costs by the grantors would not have a material adverse effect on the Organization’s consolidated financial position.

MORRISON BROWN ARGIZ & FARRA, LLC

CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of
Chapman Partnership, Inc. and Affiliate

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Chapman Partnership, Inc. and Affiliate (the "Organization") (a non-profit organization), which comprise the consolidated statement of financial position as of September 30, 2014, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 27, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Morrison, Brown, Argiz & Farra

Miami, Florida
January 27, 2015

INDEPENDENT ACCOUNTANT'S REPORT ON MANAGEMENT'S ASSERTION

To the Board of Trustees of
Chapman Partnership, Inc. and Affiliate

We have examined management's assertion, included in the accompanying "Management's Assertion Report," that Chapman Partnership, Inc. and Affiliate (the "Organization") has complied with the requirements for allowable costs and activities, matching, and financial reporting established in grant agreements applicable to Miami-Dade County Homeless Trust identified on the supplemental Schedule of County Financial Awards during the year October 1, 2013 through September 30, 2014. The Organization's management is responsible for the assertion. Our responsibility is to express an opinion on the assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting management's assertion and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, management's assertion referred to above is fairly stated, in all material respects, based on the criteria set forth above.

This report is intended solely for the information and use of management, the Board of Trustees, and Miami-Dade County Homeless Trust and is not intended to be and should not be used by anyone other than these specified parties.

Morrison, Brown, Argiz & Farra

Miami, Florida
January 27, 2015

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MANAGEMENT'S ASSERTION REPORT

I, H. Daniel Vincent, hereby assert that Chapman Partnership, Inc. and Affiliate (the "Organization") complied with allowable costs and activities, matching, and financial reporting requirements of the grants identified on the attached Schedule of County Financial Awards for the year ended September 30, 2014.

H. Daniel Vincent
President & CEO

SUPPLEMENTAL SCHEDULES

CHAPMAN PARTNERSHIP, INC. AND AFFILIATE

SCHEDULE OF COUNTY FINANCIAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Grantor/ Program Title		Amount
County Financial Awards:		
Miami-Dade County Homeless Trust Share	$	8,776,508
Miami-Dade County Homeless Trust Share- Revenue Maximization Grant		352,100
Miami-Dade County Homeless Trust Share- Capital		336,870
Miami-Dade County Public Schools Board Share		110,634
Total County Financial Awards	**$**	**9,576,112**

See accompanying notes to schedule.

CHAPMAN PARTNERSHIP, INC. AND AFFILIATE

SCHEDULE OF EXPENSES UNDER PROVISIONS OF THE
CONTRACT WITH MIAMI-DADE COUNTY HOMELESS TRUST
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Description			
Salaries	$	5,491,994	
Payroll taxes		456,787	
Health and retirement benefits		1,247,019	
Total salaries, taxes, and benefits		7,195,800	
Professional fees and contract payments		1,597,830	*
Security		329,900	
Supplies		514,078	
Food		1,251,810	*
Marketing & communications		318,667	
Postage and shipping		51,219	
Rent, maintenance, property insurance and utilities		1,671,864	
Rental equipment		75,309	
Transportation/travel		127,835	
Membership/publications/miscellaneous		20,225	
Risk management		155,985	
Conference and training		57,411	
Client expenses		326,159	
Health services		873,630	
Continuum of care		200,000	
Development/event expenses		474,627	
Property expenses		36,471	
Depreciation expense		690,990	
Total other expenses		8,774,010	
Total expenses including in-kind		15,969,810	
Less: In-kind		(1,500,083)	
Total expenses excluding in-kind	$	14,469,727	
Miami-Dade County Homeless Trust share	$	9,128,608	
Chapman Partnership, Inc. share	$	5,341,119	

* Expense includes in-kind expenses.

See accompanying notes to schedule.

NOTES TO SCHEDULE OF COUNTY FINANCIAL AWARDS
AND SCHEDULE OF EXPENSES UNDER PROVISIONS OF THE
CONTRACT WITH MIAMI-DADE COUNTY HOMELESS TRUST
FOR THE YEAR ENDED SEPTEMBER 30, 2014

1. GENERAL

The accompanying Schedule of County Financial Awards presents the activity of all financial awards received by the Organization during the year ended September 30, 2014 from Miami-Dade County Homeless Trust and Miami-Dade County Public School Board. The Schedule of Expenses Under Provisions of the Contract with Miami-Dade County Homeless Trust presents the expenses of the Organization during the year ended September 30, 2014. The Schedule of County Financial Awards and Schedule of Expenses Under Provisions of the Contract with Miami-Dade County Homeless Trust are collectively referred to as the “Schedules.”

2. BASIS OF ACCOUNTING

The accompanying Schedules are presented using the accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of the contract with Miami-Dade County Homeless Trust.