

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER**

**FINANCIAL STATEMENTS WITH INDEPENDENT
AUDITOR'S REPORT THEREON**

DECEMBER 31, 2015

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER**

December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Milagro Foundation, Inc.
Delray Beach, Florida

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We have audited the accompanying financial statements of Milagro Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Milagro Foundation, Inc. as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Milagro Foundation, Inc.'s 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 13, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Nowlen, Holt + Miner, P.A.

April 8, 2016
West Palm Beach, Florida

MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
STATEMENT OF FINANCIAL POSITION
December 31, 2015
(With Comparative Totals for December 31, 2014)

	<u>2015</u>	<u>2014</u>
Assets		
Cash	\$ 145,309	\$ 149,806
Investments	105,889	106,672
Rent receivable	2,100	-
Contributions receivable	87,602	108,042
Grants receivable	6,833	8,354
Prepaid expense	12,284	11,453
Property and equipment, net	654,236	687,167
Other assets	<u>4,140</u>	<u>4,577</u>
Total assets	<u>\$ 1,018,393</u>	<u>\$ 1,076,071</u>
Liabilities and net assets		
Liabilities		
Accounts payable	\$ 6,411	\$ 12,254
Accrued payroll	14,948	15,831
Accrued interest	2,770	3,027
Deposits	-	1,800
Mortgage payable	<u>466,137</u>	<u>492,954</u>
Total liabilities	<u>490,266</u>	<u>525,866</u>
Net assets		
Unrestricted net assets		
Investment in property and equipment	188,099	194,213
Undesignated net assets	139,048	185,040
Temporarily restricted net assets	<u>200,980</u>	<u>170,952</u>
Total net assets	<u>528,127</u>	<u>550,205</u>
Total liabilities and net assets	<u>\$ 1,018,393</u>	<u>\$ 1,076,071</u>

See notes to financial statements.

MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015
(With Comparative Totals for the Year Ended December 31, 2014)

	2015			2014
	Unrestricted	Temporarily Restricted	Total	Total
Support and revenue				
Contributions - corporate and foundation	\$ 55,750	\$ 354,900	\$ 410,650	\$ 345,811
Contributions - other	10,976	10,263	21,239	64,040
In-Kind contributions	64,233	-	64,233	62,095
Investment income	449	-	449	4,260
Contracts and grants	77,762	-	77,762	80,107
Tuition revenue	33,080	-	33,080	25,591
Special event revenue, net of direct expenses of \$28,901 and \$33,167	36,975	3,500	40,475	46,259
Rental income	28,702	-	28,702	24,738
Miscellaneous income	-	-	-	224
Total public support and revenue	307,927	368,663	676,590	653,125
Net assets released from restrictions	338,635	(338,635)		
Expenses				
Program services	533,243	-	533,243	439,932
Rental property	28,292	-	28,292	30,437
Supporting services:				
Management and general	95,676	-	95,676	97,323
Fundraising	41,457	-	41,457	35,753
Total expense	698,668	-	698,668	603,445
Change in net assets	(52,106)	30,028	(22,078)	49,680
Net assets at beginning of year	379,253	170,952	550,205	500,525
Net assets at end of year	<u>\$ 327,147</u>	<u>\$ 200,980</u>	<u>\$ 528,127</u>	<u>\$ 550,205</u>

See notes to financial statements.

MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2015
(With Comparative Totals for the Year Ended December 31, 2014)

	2015				2014
	Program Services	General and Administrative	Fundraising	Total	Total
Payroll and related expenses	\$ 315,981	\$ 59,246	\$ 19,749	\$ 394,976	\$ 307,795
Artist	42,631	-	-	42,631	32,450
Program supplies	24,145	-	-	24,145	20,337
Other program related expenses	6,084	-	-	6,084	7,579
Background checks	1,308	-	-	1,308	1,399
Professional fees	7,794	9,743	1,949	19,486	19,546
Training and development	4,624	-	-	4,624	5,914
Occupancy costs	70,248	13,172	4,391	87,811	91,756
Office supplies	5,981	2,492	1,495	9,968	18,268
Advertising	-	-	9,378	9,378	400
Bank fees	-	1,231	-	1,231	1,148
Postage and delivery	597	298	298	1,193	1,324
Printing and reproduction	3,099	1,549	1,549	6,197	6,638
Transportation	8,379	-	-	8,379	7,790
Depreciation and amortization	27,428	5,143	1,714	34,285	30,457
Mortgage interest	14,944	2,802	934	18,680	20,238
	<u>533,243</u>	<u>95,676</u>	<u>41,457</u>	<u>670,376</u>	<u>573,039</u>
Rental property expenses					
Depreciation and amortization	11,537	-	-	11,537	11,537
Sales tax	936	-	-	936	1,788
Mortgage interest	15,819	-	-	15,819	17,081
Total rental property expenses	<u>28,292</u>	<u>-</u>	<u>-</u>	<u>28,292</u>	<u>30,406</u>
Total expenses	<u><u>\$ 561,535</u></u>	<u><u>\$ 95,676</u></u>	<u><u>\$ 41,457</u></u>	<u><u>\$ 698,668</u></u>	<u><u>\$ 603,445</u></u>

See notes to financial statements.

MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2015
(With Comparative Totals for the Year Ended December 31, 2014)

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Change in net assets	\$ (22,078)	\$ 49,680
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
In-kind contribution for equipment and improvements	(3,500)	-
Depreciation and amortization	45,822	41,994
Unrealized (gains) losses on investments	8,380	(1,774)
Loss on disposal of property and equipment	-	633
(Acrease) decrease in assets:		
Contributions and grants receivable	19,861	(6,271)
Prepaid expenses	(831)	(7,410)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(6,983)	4,947
Deposits	(1,800)	1,800
Net cash provided by operating activities	<u>38,871</u>	<u>83,599</u>
Cash flows from investing activities		
Acquisition of property and equipment	(8,953)	(51,385)
Sales of investments	6,342	1,148
Purchases of investments	(13,940)	(52,487)
Net cash used by investing activities	<u>(16,551)</u>	<u>(102,724)</u>
Cash flows from financing activities		
Payments on long-term debt	<u>(26,817)</u>	<u>(24,820)</u>
Net cash used by financing activities	<u>(26,817)</u>	<u>(24,820)</u>
Net increase (decrease) in cash and cash equivalents	<u>(4,497)</u>	<u>(43,945)</u>
Cash and cash equivalents - beginning of year	<u>149,806</u>	<u>193,751</u>
Cash and cash equivalents - end of year	<u>\$ 145,309</u>	<u>\$ 149,806</u>
Supplemental cash flow information		
Donated equipment and improvements	<u>\$ 3,500</u>	<u>\$ -</u>
Cash paid for interest	<u>\$ 34,756</u>	<u>\$ 36,621</u>

See notes to financial statements.

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1 – NATURE OF BUSINESS

The Milagro Foundation, Inc., DBA the Milagro Center (the Center) is a not-for-profit corporation established in 1997 whose mission is to enrich the lives of children through cultural arts, Living Values and academic support. The Center's operations are based in Delray Beach, Florida. Our vision is to be a center of creative cultural collaboration, engaging education and inspiration that dissolves social barriers, forms lasting connections and sets the stage for future success.

The Center is designed to be a replicable model for self-sustaining, non-profit organizations that provide educational and art programs to disadvantaged children. The Center's four goals are to:

- Ensure academic success.
- Promote the arts.
- Teach inclusion and embrace diversity.
- Create strong individuals who positively impact their communities.

The Center operates four interrelated and socially inclusive programs for children relating to the visual and performing arts, leadership and mentoring. Each program incorporates values-based education endorsed by the United Nations, one-on-one academic support, and supportive intergenerational relationships. A brief description of each of the programs follows:

Standing Together Achieving Recognition and Success ("STARS") The STARS Program is a multi-faceted after-school and summer cultural arts program that is designed to improve the educational performance and artistic potential of low income children. Students receive instruction in specialized areas of literacy proficiency, science, technology and art tutorials. Participants in the program also learn essential life skills including the ability to communicate effectively, express emotions, and work as a team, which are key to their development. In addition, the program connects the Milagro families with various community social services.

Mentoring Program The Milagro Mentoring Program provides mentoring to children on both a one-on- one and group basis in conjunction with the STARS program. The program fosters nurturing, supportive intergenerational relationships that are essential in building self-esteem in children. Children are more able to adequately deal with factors that classify them as "at risk" when they have mentors who are trained to address emotional and educational deficiencies.

ARTreach Using the existing infrastructure of the STARS Program and the Center's team of professional artists, art education is provided to disadvantaged and at-risk youth, who would otherwise not experience this culturally important aspect of life. The Organization's team also provides unique, inspirational, and engaging curriculum to other children throughout Palm Beach County through community partners, and plans to extend the program to Broward County in the future.

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1 – NATURE OF BUSINESS (Continued)

Teen Leadership The Center's newest program is offered to youth in the sixth through twelfth grades, offering a combination of academic support, life skills training, and healthy living skills, aimed at preparing youth to graduate from high school, as well as preparing them for college or employment. The Center believes this exciting program will have a positive impact by improving the high school graduation rate.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Center have been prepared on the accrual basis of accounting and in accordance with the external financial reporting requirements for not-for-profit organizations, which include three basic financial statements and the classification of resources into three separate classes of net assets.

The three net asset categories reflected in the accompanying financial statements are as follows:

Unrestricted — Net assets whose use by the Center is not subject to donor-imposed stipulations. Such assets include all revenues, expenses, gains, and losses that are not changes in permanently or temporarily restricted net assets.

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

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

Expenses are reported as decreases in unrestricted net assets. Expiration of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets.

Management's Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities at the date of the financial statements; and, the reported amounts of support, revenue and expenses during the reporting period. Actual results could differ from those estimates.

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Center is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”) and comparable state law, and contributions are tax deductible within the limits prescribed by the Code. The Center has also been classified as publicly supported organization that is not private Center under Section 509(a) of the code.

As a not-for-profit organization, the Center is generally exempt from federal and state income taxes. The Center is subject to federal and state income taxes on unrelated business income.

The Center may be obligated to pay tax on any unrelated business income. The Center believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Center files tax returns in the U. S. Federal jurisdiction. The Center's income tax returns are not subject to examination through the year ended December 31, 2011.

Cash and Cash Equivalents

Cash and cash equivalents include checking, savings, money market accounts, and petty cash. Due to their long term nature, cash balances in the investment accounts are not considered a cash equivalent for purposes of the Statement of Cash Flows.

Grants Receivable

Grants receivable are recorded when services have been rendered and the granting authority has been billed. If events or changes in circumstances indicate that specific receivable balances may be disallowed by the granting authority, the receivable balances are written-off as an operating expense.

Long-Term Investments

Investments are carried at fair value if a reasonable estimate of fair value can be made, otherwise at cost. Realized and unrealized gains and losses are recorded in the Statement of Activities. Investment transactions are recorded on the trade date basis. Realized gains or losses on sales of securities are determined on the FIFO basis for financial statement purposes. Interest income is recognized on the accrual basis. Dividend income is recognized on the ex-dividend date.

Contributed Services and Goods

In-kind contributions are recorded at their fair market value at the date of donation, if such value is measurable. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions to be used in the operation of the Center are recorded directly as public support.

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Promises to Give

The fair value of contributions receivable is estimated by discounting the future cash flows using the rates currently offered for deposits of similar remaining maturities. Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give noncash assets that are expected to be received in future years are recorded at the present value of the expected fair value of the underlying noncash assets expected to be received. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Any changes in the expected fair value of underlying noncash assets are reported as increases and decreases in contribution revenue in the period the change occurs. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Absent donor stipulations regarding how long those donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Center reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are recorded at cost and depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from 3 to 30 years. The Center follows the policy of capitalizing all expenditures for land, buildings and equipment in excess of \$1,000.

Advertising Costs

Advertising costs are charged to operations when incurred.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses which are associated with a specific program or activity are charged directly to that program or activity. Indirect expenses are allocated to the various programs and activities based on a reasonable basis, such as the percentage of employees' time spent on functions.

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2014, from which the summarized information was derived.

Reclassifications

Certain amounts in the prior year have been reclassified in order to be consistent with the current year presentation.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

Contributions are recognized in the period an unconditional promise to give is received. Contributions receivable are recorded at net realizable value, discounted as appropriate to reflect the estimated timing of receipt for contributions due more than one year after the date of receipt. Therefore, carrying value approximates fair value. At December 31, 2015, all contributions receivable recorded were due within one year.

NOTE 4 – CONDITIONAL PROMISES TO GIVE

During 2014, the Center received a conditional promise of \$100,000, due in \$50,000 increments in 2015 and 2016. Each payment is contingent on the Center meeting certain benchmarks on student performance in the prior year.

NOTE 5 – INVESTMENTS

The following is a summary of the Center's investments, which are stated at fair value at December 31, 2015:

Cash, investment account sweep	\$ 16,584
Corporate bonds	29,640
Mutual funds and exchange traded funds	<u>59,665</u>
	<u><u>\$ 105,889</u></u>

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 6 – FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1	Unadjusted quoted prices for identical assets or liabilities in active markets that the Center has the ability to access at the measurement date. The type of investments included in Level 1 includes listed equities and listed derivatives.
Level 2	Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability.

An 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 in fair value measurements need to maximize the use of observable inputs and minimize the use of unobservable inputs. A valuation method may produce a fair value measurement that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Center believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date. There have been no changes in the methodologies used during the year ended December 31, 2015.

At December 31, 2015, all of the Center's investment were classified as Level 1.

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	Program	Rental	Total
Land	\$ 46,500	\$ 39,000	\$ 85,500
Buildings and improvements	419,981	337,861	757,842
Playground equipment and improvements	27,156		27,156
Office equipment	28,029		28,029
Vehicles	25,585		25,585
Furniture and fixtures	<u>45,874</u>		<u>45,874</u>
 Total property and equipment	 593,125	 376,861	 969,986
Accumulated depreciation	<u>(212,018)</u>	<u>(103,732)</u>	<u>(315,750)</u>
 Net property and equipment	 <u>\$ 381,107</u>	 <u>\$ 273,129</u>	 <u>\$ 654,236</u>

NOTE 8 – MORTGAGE PAYABLE

The center financed the purchase of two buildings through a 20 year \$650,000 mortgage which is secured by the buildings, land and future rents. This note matures in February 2026 and is payable in monthly installments of \$5,131, including interest at 7.13%.

Principal payments due over the following five years, and thereafter are as follows:

2016	\$ 28,830
2017	30,984
2018	33,300
2019	35,788
2020	38,463
Thereafter	<u>298,772</u>
	<u>\$ 466,137</u>

NOTE 9 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for future operations and \$80,000 had restrictions that they be spent in 2016 and all \$200,980 had various program restrictions.

**MILAGRO FOUNDATION, INC.
DBA MILAGRO CENTER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 10 – CONTRIBUTED MATERIALS AND SERVICES

The Center records various types of in-kind contributions. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or additions to equipment. For the year ending December 31, 2015 the Center received various items as follows:

Facility rent abatement	\$ 32,400
Special event auction items	16,703
Advertising	9,320
Equipment	3,500
Program supplies	<u>2,310</u>
	<u><u>\$ 64,233</u></u>

NOTE 11 – FACILITY RENT ABATEMENT

On July 24, 2012, the Center entered into a commercial lease agreement with Colombia Hosing SLP Corp., whereby the Center would lease new premises located at 695 Auburn Avenue, Delray Beach, Florida. The term of the lease covers 120 months, and requires a monthly rent equal to seventy percent (70%) of the base rent the Center receives from leasing the property it owns at 340 SW 6th Avenue, Delray Beach, Florida. For the year ended December 31, 2015, the Center paid \$3,600 in rent and received \$32,400 as an in-kind rent donation. The maximum rental expense payable is \$3,000 a month for \$36,000 a year.

NOTE 12 – RENTAL PROPERTY

The Center leased its building located at 346 SW 6th Avenue, Delray Beach, Florida to New Horizons Academy, Inc. at a rate of \$2,000 per month for sixty months. Future rental payments under this lease are as follow:

2016	\$ 24,000
2017	24,000
2018	<u>22,000</u>
	<u><u>\$ 70,000</u></u>

In November 2014 the Center leased part of the property at 340 SW 6th Avenue, Delray Beach, Florida, for \$900, a month. The leasee subsequently defaulted on the lease in 2015.

Total rental income for 2014 was \$28,702.

**MILAGRO FOUNDATION, INC.
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NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 13 – LEASE COMMITMENTS

At December 31, 2015, the center is obligated under a non-cancelable operating lease for office equipment that that expires in 2016. Future minimum lease payments are \$3,996 for 2016. Rental expense for 2015 was \$3,996.

NOTE 14 – CONCENTRATION IN SUPPORT AND REVENUE

For the year ended December 31, 2015, the Center's five largest contributors and grantors provided thirty-six percent of the organization's total support. Without the future continuation of such support, the Center's ability provide the current level of operations and program services would impacted.

NOTE 15 – SUBSEQUENT EVENTS

The Center has evaluated subsequent events through April 8, 2016. This date is the date the financial statements were available to be issued.