WINGS Program, Inc.

Consolidated Financial Report
with Additional Information
June 30, 2018

Contents

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Independent Auditor's Report

To the Board of Directors
WINGS Program, Inc.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of WINGS Program, Inc. and its subsidiaries (collectively, "the "Organizations"), which comprise the consolidated statement of financial position as of June 30, 2018 and 2017 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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 WINGS Program, Inc. as of June 30, 2018 and 2017 and the changes in its net assets, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
WINGS Program, Inc.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2018 on our consideration of WINGS Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 WINGS Program, Inc.'s internal control over financial reporting and compliance.

Plante & Moran, PLLC

September 20, 2018

Consolidated Statement of Financial Position

June 30, 2018 and 2017

	2018	2017
Assets		
Current Assets		
Cash and cash equivalents	$ 1,426,146	$ 1,767,164
Contracts receivable - Loan receivable	313,867	375,102
Assets held for sale	79,000	79,000
Prepaid expenses and other current assets	195,647	171,937
Total current assets	2,014,660	2,393,203
Other Assets		
Restricted investments	3,232,441	3,684,127
Restricted cash	93,959	118,959
IHDA escrow	204,524	202,296
Security deposit	31,678	31,312
Emergency fund receivables	13,131	3,692
Loan receivable - NMTC	3,993,345	3,993,345
Timeshare membership - Net of amortization	3,342	3,383
Cash held for others	16,529	261,131
Total other assets	7,588,949	8,298,245
Fixed Assets - Net	13,351,002	13,705,680
Total assets	**$ 22,954,611**	**$ 24,397,128**

Consolidated Statement of Financial Position (Continued)

June 30, 2018 and 2017

	2018	2017
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 238,538	$ 168,009
Accrued compensation	145,970	149,107
Current portion of mortgage loans payable	76,289	73,014
Current portion of construction loan payable	249,885	-
Deferred revenue	317,500	76,636
Deferred rent	10,945	16,403
Other current liabilities	42,333	50,667
Cash held for others	16,529	261,131
Total current liabilities	1,097,989	794,967
Mortgage Loans Payable - Net of current portion	1,471,094	1,533,327
Notes Payable		
Construction loan payable	1,893,190	3,210,345
QLICI notes payable	5,000,000	5,000,000
Less unamortized debt issuance costs	(296,960)	(360,294)
Total notes payable	6,596,230	7,850,051
Deferred Grant Revenue	1,287,330	1,429,934
Total liabilities	10,452,643	11,608,279
Net Assets		
Unrestricted net assets:		
Undesignated	7,707,481	7,029,902
Noncontrolling interest	(11,721)	(7,283)
Board designated	121,468	198,374
Temporarily restricted net assets	2,125,653	3,008,769
Permanently restricted net assets	2,559,087	2,559,087
Total net assets	12,501,968	12,788,849
Total liabilities and net assets	**$ 22,954,611**	**$ 24,397,128**

WINGS Program, Inc.

Consolidated Statement of Activities

Year Ended June 30, 2018

	2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Income				
Government Contracts				
FEMA	$ 75,734	$ -	$ -	$ 75,734
Department of Justice OVAW	78,174	-	-	78,174
Townships and Municipalities	92,056	-	-	92,056
City of Chicago	470,573	-	-	470,573
Cook County CDBG	21,804	-	-	21,804
HUD-SHP	486,625	-	-	486,625
State of IL - Attorney General	9,000	-	-	9,000
State of IL - DHS	323,180	-	-	323,180
State of IL - ICADV	375,737	-	-	375,737
State of IL - ICJIA	213,704	-	-	213,704
Total Government Contracts	2,146,587	-	-	2,146,587
Other Revenues				
United Way	94,375	-	-	94,375
Contributions	1,062,460	436,870	-	1,499,330
Program Service Fees	115,352	-	-	115,352
Special Event Income (Net of Direct Costs of $305,830)	1,259,308	-	-	1,259,308
In-Kind Contributions	239,760	-	-	239,760
Resale Gross Income (Net of Direct Costs of $1,244,710)	476,562	-	-	476,562
Total Other Revenues	3,247,817	436,870	-	3,684,687
Other Income				
Miscellaneous	1,082	-	-	1,082
Item Sales Gross Income	17,822	-	-	17,822
NCH Partnership	18,667	-	-	18,667
Investment Income	45,839	-	-	45,839
Net Gain on Fixed Assets	2,000	-	-	2,000
Total Other Income	85,410	-	-	85,410
Released from Restriction	1,468,447	(1,468,447)	-	-
Total Income	6,948,261	(1,031,577)	-	5,916,684
Expenses				
Program Expenses				
Safehouse	1,327,422	-	-	1,327,422
Safehouse at WINGS Metro	1,540,233	-	-	1,540,233
Transitional Housing	1,661,797	-	-	1,661,797
Permanent Supportive Housing	302,674	-	-	302,674
Community Based Services	306,203	-	-	306,203
Total Program Expenses	5,138,329	-	-	5,138,329
Administrative	505,521	-	-	505,521
Development	708,176	-	-	708,176
Total Functional Expenses	6,352,026	-	-	6,352,026
Change in Net Assets Before Non-Operating Investment Activity	596,235	(1,031,577)	-	(435,342)
Investment Income (Loss)				
Interest and Dividends	-	112,147	-	112,147
Less: Investment Fees	-	(15,891)	-	(15,891)
Realized and Unrealized Gain on Investments	-	52,205	-	52,205
Total Net Investment Income, Net	-	148,461	-	148,461
Change in Net Assets	596,235	(883,116)	-	(286,881)
Change in Net Assets Attributable to Non-controlling Interest	(4,438)	-	-	(4,438)
Change in Net Assets Attributable to WINGS Program, Inc.	600,673	(883,116)	-	(282,443)
Beginning Net Assets	7,220,993	3,008,769	2,559,087	12,788,849
Ending Net Assets	7,817,228	2,125,653	2,559,087	12,501,968

See notes to consolidated financial statements.

WINGS Program, Inc.

Consolidated Statement of Activities

Year Ended June 30, 2017

	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Income				
Government Contracts				
FEMA	$ 83,415	$ -	$ -	$ 83,415
Department of Justice OVAW	103,003	-	-	103,003
Townships and Municipalities	81,599	-	-	81,599
City of Chicago	473,857	-	-	473,857
Cook County CDBG	23,054	-	-	23,054
HUD-SHP	443,490	-	-	443,490
State of IL - Attorney General	9,000	-	-	9,000
State of IL - DHS	312,848	-	-	312,848
State of IL - ICADV	69,276	-	-	69,276
State of IL - ICJIA	33,614	-	-	33,614
Total Government Contracts	1,633,156	-	-	1,633,156
Other Revenues				
United Way	103,965	-	-	103,965
Contributions	1,111,657	703,397	-	1,815,054
Program Service Fees	112,390	-	-	112,390
Special Event Income (Net of Direct Costs of $329,076)	1,225,573	166,505	-	1,392,078
In-Kind Contributions	210,458	-	-	210,458
Resale Gross Income (Net of Direct Costs of $1,065,019)	280,027	-	-	280,027
Total Other Revenues	3,044,070	869,902	-	3,913,972
Other Income				
Miscellaneous	20	-	-	20
NCH Partnership	22,400	-	-	22,400
Investment Income	42,379	323	-	42,702
Loss on Fixed Assets	(37,831)	-	-	(37,831)
Total Other Income	26,968	323	-	27,291
Released from Restriction	1,082,400	(1,082,400)	-	-
Total Income	5,786,594	(212,175)	-	5,574,419
Expenses				
Program Expenses				
Safehouse	1,278,438	-	-	1,278,438
Safehouse at WINGS Metro	1,373,155	-	-	1,373,155
Transitional Housing	1,411,126	-	-	1,411,126
Permanent Supportive Housing	293,054	-	-	293,054
Community Based Services	273,909	-	-	273,909
Total Program Expenses	4,629,682	-	-	4,629,682
Administrative	550,053	-	-	550,053
Development	640,876	-	-	640,876
Total Functional Expenses	5,820,611	-	-	5,820,611
Change in Net Assets Before Non-Operating Investment Activity	(34,017)	(212,175)	-	(246,192)
Investment Income (Loss)				
Interest and Dividends	-	104,870	-	104,870
Less: Investment Fees	-	(21,409)	-	(21,409)
Realized and Unrealized Gain on Investments	(11,243)	370,376	-	359,133
Total Net Investment Income, Net	(11,243)	453,837	-	442,594
Change in Net Assets	(45,260)	241,662	-	196,402
Change in Net Assets Attributable to Non-controlling Interest	(11,787)	-	-	(11,787)
Change in Net Assets Attributable to WINGS Program, Inc.	(33,473)	241,662	-	208,189
Beginning Net Assets	7,266,253	2,767,107	2,559,087	12,592,447
Ending Net Assets	7,220,993	3,008,769	2,559,087	12,788,849

Consolidated Statement of Functional Expenses

Year Ended June 30, 2018

	Safehouse Services	Safehouse at WINGS Metro	Transitional Services	Permanent Housing	Community Based Svcs	Total Program	Administrative	Development	Total Functional Expenses	Direct Costs of Special Events and Resale	Total Expenses
Personnel											
Salaries & Wages	641,406	506,683	446,579	67,901	174,667	1,837,236	349,932	361,720	2,548,888	590,362	3,139,250
Payroll Taxes	46,625	37,471	33,295	5,161	13,122	135,674	26,293	26,771	188,738	43,513	232,251
Health Insurance	32,460	39,142	32,340	4,162	4,914	113,018	11,167	12,673	136,858	40,145	177,003
Workers Compensation	8,499	6,726	5,853	870	2,121	24,069	4,801	4,818	33,688	20,464	54,152
Other Personnel Costs	12,552	8,595	10,462	3,281	1,406	36,296	9,803	51,753	97,852	21,400	119,252
Total Personnel	741,542	598,617	528,529	81,375	196,230	2,146,293	401,996	457,735	3,006,024	715,884	3,721,908
Program Expense											
Rent Expense	-	-	176,449	109,926	-	286,375	-	-	286,375	-	286,375
Food Expense	8,760	16,365	4,464	179	-	29,768	-	325	30,093	-	30,093
Other Program Expenses	63,588	56,282	323,383	9,298	23,973	476,524	-	-	476,524	100	476,624
Total Program	72,348	72,647	504,296	119,403	23,973	792,667	-	325	792,992	100	793,092
Operations Expense											
Audit	-	5,100	-	-	-	5,100	35,500	-	40,600	-	40,600
Bank Fees	8,728	1,314	9,617	1,999	1,865	23,523	1,952	22,448	47,923	3	47,926
Periodicals	67	66	51	3	17	204	144	63	411	92	503
Consultants	5,376	57,339	22,303	1,632	12,785	99,435	2,121	67,041	168,597	18,556	187,153
Equipment	11,066	6,126	14,054	2,098	1,325	34,669	135	43	34,847	775	35,622
Equipment Rental	4,261	4,024	11,668	149	212	20,314	644	627	21,585	747	22,332
Technology	18,408	21,538	11,280	957	3,752	55,935	21,430	14,660	92,025	33,225	125,250
Legal & Accounting	-	2,182	1,121	950	-	4,253	-	-	4,253	-	4,253
Licenses & Fees	673	2,060	313	206	138	3,390	213	32	3,635	157	3,792
Meetings & Food	63	618	75	3	446	1,205	2,825	2,095	6,125	777	6,902
Memberships & Dues	1,335	1,450	1,193	19	18	4,015	1,365	3,278	8,658	215	8,873
Mileage & Travel Expense	2,932	5,601	13,003	1,570	2,101	25,207	1,617	9,688	36,512	609	37,121
Supplies	13,619	30,241	6,549	895	1,207	52,511	2,679	4,068	59,258	40,443	99,701
Postage	154	227	79	16	6	482	5,199	129	5,810	25	5,835
Printing	1,843	90	2,451	379	1,943	6,706	724	11,639	19,069	903	19,972
Vehicles	786	-	2,959	1,191	12	4,948	44	4,306	9,298	27,750	37,048
Total Operations	69,311	137,976	96,716	12,067	25,827	341,897	76,592	140,117	558,606	124,277	682,883

See notes to consolidated financial statements.

Consolidated Statement of Functional Expenses (continued)

Year Ended June 30, 2018

	Safehouse Services	Safehouse at WINGS Metro	Transitional Services	Permanent Housing	Community Based Svcs	Total Program	Administrative	Development	Total Functional Expenses	Direct Costs of Special Events and Resale	Total Expenses
Development Expenses											
Special Events	-	-	-	-	-	-	-	-	-	305,830	305,830
Advertising	-	-	-	-	-	-	-	2,354	2,354	21,218	23,572
Appeal Expense	-	-	-	-	-	-	-	15,745	15,745	-	15,745
Marketing	-	-	-	-	1,547	1,547	-	2,825	4,372	-	4,372
Sales Tax	-	-	-	-	-	-	-	905	905	149,516	150,421
Community Relations	11	3	11	-	-	25	99	17,026	17,150	750	17,900
Online Sales Expenses	-	-	-	-	-	-	-	-	-	1,725	1,725
Annual Meeting	-	-	-	-	-	-	-	1,327	1,327	-	1,327
Total Development	11	3	11	-	1,547	1,572	99	40,182	41,853	479,039	520,892
Occupancy Expenses											
Utilities	60,533	48,397	68,288	15,430	5,859	198,507	4,683	10,282	213,472	29,774	243,246
Telephone	7,628	8,127	18,170	1,316	2,428	37,669	5,303	6,062	49,034	4,320	53,354
Mortgage Interest	20,181	173,536	13,488	695	1,865	209,765	3,336	4,663	217,764	13,693	231,457
Rent	176,117	-	194,042	40,332	39,803	450,294	-	21,450	471,744	123,112	594,856
Insurance	17,700	20,455	19,730	3,888	595	62,368	316	681	63,365	7,478	70,843
Repairs & Maintenance	106,150	84,138	151,477	21,051	5,344	368,160	8,931	12,668	389,759	22,437	412,196
Depreciation & Amortization	55,901	396,337	67,050	7,117	2,732	529,137	4,265	14,011	547,413	30,426	577,839
Total Occupancy	444,210	730,990	532,245	89,829	58,626	1,855,900	26,834	69,817	1,952,551	231,240	2,183,791
Total Functional Expenses	1,327,422	1,540,233	1,661,797	302,674	306,203	5,138,329	505,521	708,176	6,352,026	1,550,540	7,902,566

See notes to consolidated financial statements.

Consolidated Statement of Functional Expenses

Year Ended June 30, 2017

	Safehouse Services	Safehouse at WINGS Metro	Transitional Services	Permanent Housing	Community Based Svcs	Total Program	Administrative	Development	Total Functional Expenses	Direct Costs of Special Events and Resale	Total Expenses
Personnel											
Salaries & Wages	630,526	457,205	453,720	76,590	174,545	1,792,586	317,620	362,673	2,472,879	529,964	3,002,843
Payroll Taxes	46,589	34,024	33,245	5,436	12,952	132,246	23,135	27,345	182,726	39,491	222,217
Health Insurance	31,400	26,059	36,603	6,218	1,683	101,963	10,883	8,860	121,706	23,026	144,732
Workers Compensation	8,834	6,520	6,553	1,231	2,257	25,395	4,302	5,161	34,858	20,875	55,733
Other Personnel Costs	12,905	11,810	21,225	3,660	5,220	54,820	38,916	17,598	111,334	19,370	130,704
Total Personnel	730,254	535,618	551,346	93,135	196,657	2,107,010	394,856	421,637	2,923,503	632,726	3,556,229
Program Expense											
Rent Expense	-	(17,681)	170,533	104,990	-	257,842	-	-	257,842	-	257,842
Food Expense	9,962	19,954	4,667	-	-	34,583	-	-	34,583	-	34,583
Other Program Expenses	68,533	61,253	151,371	5,711	4,960	291,828	-	100	291,928	-	291,928
Total Program	78,495	63,526	326,571	110,701	4,960	584,253	-	100	584,353	-	584,353
Operations Expense											
Audit	-	-	-	-	-	-	30,000	-	30,000	-	30,000
Bank Fees	6,334	16	7,007	1,439	1,343	16,139	1,479	19,809	37,427	104	37,531
Periodicals	43	34	29	3	8	117	142	137	396	47	443
Consultants	2,033	10,436	16,567	4,429	4,596	38,061	2,247	23,396	63,704	32,148	95,852
Equipment	8,423	6,861	7,783	711	1,136	24,914	1,619	5,356	31,889	1,178	33,067
Equipment Rental	3,609	2,888	11,377	119	157	18,150	461	512	19,123	694	19,817
Directors and Officer Insurance	-		-	-	-	-	-	-	-	-	-
Technology	16,869	11,976	14,288	1,618	4,153	48,904	23,096	31,486	103,486	25,926	129,412
Legal & Accounting	-	25,158	-	-	-	25,158	10,234	-	35,392	-	35,392
Licenses & Fees	456	4,059	813	2,534	50	7,912	1,518	82	9,512	1,166	10,678
Meetings & Food	46	70	120	16	39	291	8,709	2,978	11,978	1,365	13,343
Memberships & Dues	3,015	130	1,323	44	45	4,557	1,639	1,703	7,899	161	8,060
Mileage & Travel Expense	2,952	2,848	14,560	1,847	1,659	23,866	1,527	10,148	35,541	3,655	39,196
Supplies	15,159	16,720	5,654	489	1,174	39,196	4,043	3,964	47,203	28,003	75,206
Postage	122	183	17	-	-	322	4,304	49	4,675	-	4,675
Printing	1,843	436	2,260	418	1,239	6,196	1,085	13,328	20,609	2,639	23,248
Miscellaneous	-	894	-	-	-	894	500	-	1,394	-	1,394
Vehicles	1,467	-	6,713	2,693	27	10,900	100	1,959	12,959	21,424	34,383
Total Operations	62,371	82,709	88,511	16,360	15,626	265,577	92,703	114,907	473,187	118,510	591,697

See notes to consolidated financial statements.

Consolidated Statement of Functional Expenses (continued)

Year Ended June 30, 2017

	Safehouse Services	Safehouse at WINGS Metro	Transitional Services	Permanent Housing	Community Based Svcs	Total Program	Administrative	Development	Total Functional Expenses	Direct Costs of Special Events and Resale	Total Expenses
Development Expenses											
Special Events	-	-	-	-	-	-	-	-	-	329,076	329,076
Advertising	-	-	-	-	-	-	-	100	100	7,918	8,018
Appeal Expense	-	-	-	-	-	-	-	14,342	14,342	-	14,342
Marketing	18	-	-	-	856	874	-	2,828	3,702	-	3,702
Sales Tax	-	-	-	-	-	-	-	-	-	111,305	111,305
Community Relations	-	-	93	-	77	170	694	23,268	24,132	199	24,331
Online Sales Expenses	-	-	-	-	-	-	-	-	-	-	-
Annual Meeting	-	-	-	-	-	-	-	-	-	-	-
Total Development	18	-	93	-	933	1,044	694	40,538	42,276	448,498	490,774
Occupancy Expenses											
Utilities	58,804	55,382	67,296	15,970	5,599	203,051	9,429	9,120	221,600	26,072	247,672
Telephone	7,721	3,018	17,883	1,483	2,515	32,620	3,050	4,493	40,163	5,265	45,428
Mortgage Interest	21,441	182,786	13,490	801	2,250	220,768	3,749	4,816	229,333	11,586	240,919
Rent	152,430	-	168,386	34,971	35,749	391,536	-	19,470	411,006	96,872	507,878
Insurance	17,051	16,274	19,255	3,786	873	57,239	10,524	917	68,680	7,255	75,935
Repairs & Maintenance	94,716	41,417	102,001	8,596	5,710	252,440	30,568	11,103	294,111	17,043	311,154
Depreciation & Amortization	55,137	392,425	56,294	7,251	3,037	514,144	4,480	13,775	532,399	30,268	562,667
Total Occupancy	407,300	691,302	444,605	72,858	55,733	1,671,798	61,800	63,694	1,797,292	194,361	1,991,653
Total Functional Expenses	1,278,438	1,373,155	1,411,126	293,054	273,909	4,629,682	550,053	640,876	5,820,611	1,394,095	7,214,706

Consolidated Statement of Cash Flows

Years Ended June 30, 2018 and 2017

	2018	2017
Cash Flows from Operating Activities		
Change in net assets	$ (286,881)	$ 196,402
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	514,504	499,291
Amortization of debt issuance costs	63,334	63,335
Imputed interest expense	10,121	9,557
Realized gain on investments	(46,043)	(383,570)
Unrealized (gain) loss on investments	(6,162)	24,437
Realized (gain) loss on disposition of assets held for sale and fixed assets	(2,000)	37,831
Changes in current assets and liabilities:		
Decrease (increase) in contracts receivable	61,235	(39,176)
Increase in prepaid expenses and other current assets	(23,710)	(11,840)
Decrease (increase) in other assets	232,610	(136,990)
Increase in accounts payable	12,410	76,782
Increase (decrease) in deferred revenue	98,260	(150,301)
(Decrease) increase in other current liabilities	(261,531)	155,001
Net cash provided by operating activities	366,147	340,759
Cash Flows from Investing Activities		
Decrease in construction escrow	-	77,776
Purchase of marketable securities	(715,162)	(3,718,786)
Proceeds on sale of marketable securities	619,053	3,732,315
Proceeds from withdrawal of endowment investment fund	600,000	-
Purchase of fixed assets	(101,707)	(997,050)
Proceeds on sale of fixed assets	2,000	340,603
Net cash provided by (used in) investing activities	404,184	(565,142)
Cash Flows from Financing Activities		
Construction loan payments	(1,067,270)	(300,000)
Repayments on debt - Mortgage loans	(69,079)	(68,379)
Use of restricted cash - Reserve account	25,000	25,000
Net cash used in financing activities	(1,111,349)	(343,379)
Net Decrease in Cash and Cash Equivalents	(341,018)	(567,762)
Cash and Cash Equivalents - Beginning of year	1,767,164	2,334,926
Cash and Cash Equivalents - End of year	**$ 1,426,146**	**$ 1,767,164**
Supplemental Cash Flow Information		
Interest paid	$ 222,960	$ 239,347
Fixed asset expenditures included in accounts payable	58,119	-

See notes to consolidated financial statements.

Note 1 - Nature of Business

WINGS Program, Inc. (WINGS) provides housing and supportive services, some through community-based services, for families who are fleeing the devastating effects of domestic violence, the major cause of homelessness among women and children. Supportive services provided include counseling, job training, skills for living, and children-focused services, all designed to promote financial and emotional independence. WINGS received 29 percent and 33 percent of its total revenue from contributions and 36 percent and 29 percent of its total revenue from government contracts for the years ended June 30, 2018 and 2017, respectively. The remainder of WINGS' revenue is from special events, resale, United Way, program fees, and investment income.

On July 3, 2014, WINGS Metro, LLC (the "LLC") was formed for the purpose of constructing and redeveloping the property located at 3501-3519 West 63rd Street, in the Chicago Lawn neighborhood on the southwest side of Chicago (the "Redevelopment Project").

The Redevelopment Project was completed in February 2016. The property is leased by the LLC to a related party and is operated as a mixed-use facility (the "Project") consisting of four basic components:

1. The Shelter - A 40-bed supportive housing facility with 24-hour staff to provide support services for women in need

2. Stage 2 Housing - Three units of rental housing for residents leaving the Shelter or similarly situated individuals and families

3. Office Space - Offices for counseling and other social services to serve the current and former residents of the Shelter and similarly situated individuals.

4. Retail Space - Commercial retail space of approximately 4,630 square feet to support operations of the Shelter and the Stage 2 Housing

The LLC consists of two members - WINGS Program, Inc. and GSDC DV, LLC (the "Manager"); the members have a 95 percent and 5 percent interest in the LLC, respectively. Profits and losses, after compensation of the Manager, will generally be allocated based the membership interest percentages.

On July 23, 2014, WM Initiatives LLC (WMI) was formed for the purpose of operating a domestic shelter and extended-stay housing in the building being constructed and managed by the LLC. The LLC (the "landlord") entered into a lease with WM Initiatives LLC (the "Lessee") on April 8, 2015. The Lessee is a related party, as it is wholly owned by Wings Program, Inc., a member of the LLC. The lease is for the Shelter, Stage 2 Housing, and Office Space of the Project, as discussed above. The initial term commenced on February 14, 2016 continues for a period of 10 years thereafter. Base rent for the lease period shall equal the landlord’s debt service for the premises plus the Lessee’s share of operating expenses, less the total amount of rent (base rent and operating expenses) due from the Retail Space tenants, as discussed above.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of WINGS and the LLC (collectively, the "Organizations"). All significant intercompany transactions and balances have been eliminated in consolidation.

Basis of Presentation

The consolidated financial statements of WINGS have been prepared on the accrual basis of accounting and reflect all significant receivables, payables, and other liabilities.

Note 2 - Significant Accounting Policies (Continued)

The net assets of WINGS are classified as follows:

- Unrestricted - Represent the portion of expendable net assets that are available for operations. Contributed net assets that relate to fixed assets are also recorded as unrestricted at the time of their receipt.
- Temporarily Restricted - Represent contributed net assets for which donor-imposed time and purpose restrictions have not been met and the ultimate purpose of the contribution is not permanently restricted
- Permanently Restricted - Represent contributed net assets that require, by donor restriction, that the corpus be invested in perpetuity and only the revenue be made available for program operations in accordance with donor restrictions, if any.

Estimates

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

Cash and Cash Equivalents

For the purpose of the statement of cash flows, WINGS considers its checking, unrestricted money market, and petty cash to be cash and cash equivalents.

Restricted Cash/Cash Held for Others

The LLC, under the terms of its loan agreements disclosed in Note 10, has agreed to maintain a restricted cash balance to cover quarterly management fees. Cash held for others represents cash held for a similarly focused newly formed nonprofit organization. WINGS serves as a fiscal agent for this new nonprofit and pays program expenses on behalf of the organization.

Investments

Investments are reported at their fair values in the consolidated statement of financial position. Donated investments are recorded at their fair value as of the date of contribution. Changes in unrealized gains and losses are included in the accompanying consolidated statement of activities. The investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the value of investments will occur in the near term that could materially affect the amounts reported in the consolidated financial statements.

Contracts Receivable

WINGS has receivables from government contracts that arise in the normal course of business. It is the policy of management to review the outstanding contracts receivable at year end as well as the bad debt write-offs experienced in the past and establish an allowance for doubtful accounts for uncollectible amounts. In 2018 and 2017, there was no allowance recorded.

Note 2 - Significant Accounting Policies (Continued)

Loan Receivable

Loan receivable is stated at unpaid principal balances less an allowance for loan losses. Interest is recognized over the term of the loan and is calculated using the simple interest method. Management considers a note impaired when, based on current information or factors (such as payment history, value of collateral, and assessment of the customer's current credit worthiness), it is probable that the principal and interest payments will not be collected according to the loan agreement. Management does not consider its loan receivable to be impaired.

The carrying amount of loan receivable would be reduced by an allowance for loan losses if management, based on its evaluation of the collectibility of the loan receivable, including the nature of the loan, economic conditions, and other risks inherent in the loan receivable, deems all or a portion of the loan receivable to be uncollectible. Management believes the loan receivable is fully collectible as of June 30, 2018 and 2017.

Fixed Assets

Fixed assets are carried at cost for current additions, if purchased, or at fair value, if contributed. Depreciation is computed on the straight-line method over 5 to 40 years for improvements; 40 years for buildings; 5 to 20 years for computer equipment and furniture and office equipment; and five years for vehicles. Maintenance, repairs, and minor renewals are expensed as incurred. When fixed assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited or charged to operations.

Timeshare Membership

Timeshare membership reflects the fair value of a donated timeshare unit, which is being amortized using the straight-line method over the finite life of the use of the timeshare unit, which is 100 years.

Debt Issuance Costs and Amortization

Debt issuance costs are amortized over the life of the loan using the straight-line method. Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs. However, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (i.e., when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Government Contracts

WINGS enters into contracts with certain governmental and private agencies. Revenue under these contracts is recognized when earned. The activities of WINGS relating to certain contracts are subject to review or audit by the responsible governmental agency to determine compliance with award documents and may be subject to possible adjustments based on negotiations with the funding agencies. WINGS has not provided allowances in the consolidated financial statements for potential adjustments since such amounts, if any, are not expected to be significant.

Note 2 - Significant Accounting Policies (Continued)

Imputed Interest

WINGS entered into a noninterest-bearing note payable with the Illinois Housing Development Authority (IHDA). In the year that the loan was issued, interest was imputed at the effective rate, resulting in temporarily restricted contribution revenue. Each year, as the interest expense is recognized, the corresponding amount of temporarily restricted revenue is released to unrestricted revenue. WINGS determined its rate for valuation purposes as a rate at which it can obtain financing of a similar nature from other sources at the date of the transaction. The difference between the present value and the face amount of the note payable shall be treated as a discount and amortized as interest expense over the life of the note in such a way as to result in a constant rate of interest when applied to the amount outstanding at the beginning of any given period. The rate remains unchanged throughout the term of the respective note.

Taxes Collected from Customers

WINGS collects sales tax from its customers that is remitted to the state governmental authority when due. WINGS' policy is to record sales tax collected from customers as a component of resale income on the consolidated statement of activities, with the corresponding expense as a component of direct resale costs on that same statement. For the years ended June 30, 2018 and 2017, sales tax amounted to $150,421 and $111,305, respectively.

Income Taxes

Not-for-profit: WINGS is exempt from income taxes under the provisions of the Internal Revenue Code (IRC) Section 501(c)(3). In addition, WINGS qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under IRC Section 509(a)(1).

WINGS Metro, LLC: The LLC is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the LLC. Members are taxed individually on their pro rata ownership share of the LLC’s earnings. The LLC’s net income or loss is allocated among the members in accordance with the LLC’s operating agreement.

WM Initiatives LLC: WMI is a single-member LLC that is treated as a disregarded entity for income tax purposes. Therefore, no provision or benefit for income taxes is included in these financial statements since taxable income or loss passes through to, and is reportable by, the Member individually.

Impairment of Long-lived Assets

The Organizations review the long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable, but not less than annually. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

Endowment

U.S. GAAP addresses the net asset classification of donor-restricted endowment funds for organizations subject to an enacted version of the 2006 Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA was enacted in Illinois effective June 30, 2009. A key component of UPMIFA is a requirement to clarify the portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets as temporarily restricted net assets until appropriated for expenditure.

Note 2 - Significant Accounting Policies (Continued)

Functional Allocation of Expenses

In the consolidated statement of functional expenses, expenses are first charged to the various programs and supporting services on the basis of actual expense. Expenses are then allocated based on various criteria, such as relative program salaries and/or service units provided. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

Upcoming Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU No. 2016-14 requires significant changes to the financial reporting model of organizations that follow FASB not-for-profit rules, including changing from three classes of net assets to two classes: net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Organizations, including required disclosures about the liquidity and availability of resources. The new standard is effective for the Organizations' year ending June 30, 2019 and thereafter and must be applied on a retrospective basis. The Organizations are currently gathering the appropriate information to implement these disclosure changes in a timely manner. Management expects an impact to the classification of net assets and an enhancement of disclosures about liquidity, including qualitative and quantitative information.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Organizations' year ending June 30, 2020. The ASU permits application of the new revenue recognition guidance to be applied using one of two retrospective application methods. The Organizations plan to apply the standard using the full retrospective method and expect to have expanded disclosures as a result of the new standard.

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Organizations' year ending June 30, 2021 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The new lease standard is expected to have a significant effect on the Organizations' consolidated financial statements as a result of the leases for retail store locations classified as operating leases. Upon adoption, the Organizations will recognize a lease liability and corresponding right-to-use asset based on the present value of the minimum lease payments. The effects on the results of operations are not expected to be significant, as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

Note 2 - Significant Accounting Policies (Continued)

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The accounting guidance will result in more governmental contracts being accounted for as contributions and may delay revenue recognition for certain grants and contributions that no longer meet the definition of unconditional. The new guidance will be effective for the Organizations' year ending June 30, 2020 and will be applied on a modified prospective basis. The Organizations do not expect the standard to have a significant impact on the timing of revenue recognition for government grants and contracts, but have not yet determined the impact on the timing of recognition of foundation and individual grants and contributions.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including September 20, 2018, which is the date the consolidated financial statements were issued.

Note 3 - Commitments

Not-for-profit

WINGS enters into contracts for space for its events in advance. As of June 30, 2018, WINGS is liable for $61,033 in the event of cancellation of all its upcoming events, while, as of June 30, 2017, WINGS was liable for $58,533.

WINGS Metro, LLC

The LLC has grants and land awarded by the City of Chicago, Illinois (the "City") and the Chicago Low-Income Housing Trust Fund that are contingent on the LLC's ability to maintain compliance with applicable provisions defined in the grant and regulatory agreements.

City of Chicago Department of Planning and Development (DPD)

The total amount of the construction grant awarded by DPD was in the amount of $1,226,016, which has been funded to the LLC. There are certain construction benchmark requirements to receive funds, as defined by the Construction Grant Agreement.

The grant requires that in the event of default, the full amount of the grant not forgiven under the terms of the agreement shall be immediately recoverable by the City. A portion of the grant, $600,000, shall be forgiven on the first day of the fifth anniversary of the construction completion date (completion date is considered to be February 14, 2016). The remainder of the grant shall be forgiven upon the first day of the 10th anniversary of the construction completion date, provided that no event of default has occurred pursuant to the grant documents. The LLC believes that the potential of default is remote.

Grant income recognized related to the DPD grant was $122,604 for both the years ended June 30, 2018 and 2017. Deferred grant revenue related to the DPD grant is $934,832 and $1,057,436 at June 30, 2018 and 2017, respectively.

Chicago Low-income Housing Trust Fund (CLIHTF)

The total amount of the construction grant awarded by CLIHTF was in the amount of $400,000, which has been funded to the LLC.

Note 3 - Commitments (Continued)

Provided that no event of default has occurred, as defined by the grant documents and regulatory agreement, beginning on the first anniversary after the completion date, and annually thereafter during the project term, the LLC shall be deemed to have earned a portion of the grant in an amount equal to $20,000 each year. Any portion of the grant not forgiven shall be recapturable on the expiration of the project term, as defined in the grant agreement.

Grant income recognized related to the CLIHTF grant was $20,000 for both the years ended June 30, 2018 and 2017. Deferred grant revenue related to the CLIHTF grant is $352,498 and $372,948 at June 30, 2018 and 2017, respectively.

The LLC recorded the receipt of all grant funds as of June 30, 2016, which totaled $1,626,016, as deferred revenue until the commencement of operations of the facility began on February 14, 2016. The LLC is recognizing the grant income on a straight-line basis over the terms of each grant.

City of Chicago, Illinois Donated Land

Land was donated to the LLC from the City of Chicago, Illinois on April 1, 2015, with the understanding that the Redevelopment Project and the Project would operate in accordance with all related city agreements and grants executed and entered into by the City, the LLC, and the LLC’s members.

It was determined at the time of the donation that the estimated fair value of the land was $170,000. The LLC recorded the land at its fair value at the time of transfer in the accompanying financial statements as a donation revenue. The land was reconveyed back to the City of Chicago, Illinois as collateral until the forgiveness period of the grants awarded expire; however, the LLC believes that recording the land as an asset of the LLC is appropriate at June 30, 2018 and 2017 due to the likelihood of noncompliance and default of the grant agreements being remote.

Note 4 - Concentration of Credit Risk

WINGS maintains the majority of its cash at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. As of June 30, 2018 and 2017, WINGS’ uninsured cash balance totaled $468,047 and $914,427, respectively.

Note 5 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about WINGS' assets measured at fair value on a recurring basis at June 30, 2018 and 2017 and the valuation techniques used by WINGS to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that WINGS has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management’s own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

Note 5 - Fair Value Measurements (Continued)

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. WINGS' assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

WINGS' policy is to recognize transfers in and out of Level 1, 2, and 3 fair value classifications as of the beginning of the reporting period. There were no transfers in 2018 or 2017.

Level 1 includes mutual funds, marketable equities, structure securities, and equity funds for which quoted market prices are available in an active market.

WINGS currently use no Level 2 or 3 inputs.

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2018			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2018
Investments				
Mutual funds:				
U.S. fixed income	$ 558,776	$ -	$ -	$ 558,776
International bonds	155,096	-	-	155,096
Emerging market bonds	88,973	-	-	88,973
High-yield bonds	47,919	-	-	47,919
Convertible bonds	40,426	-	-	40,426
Preferred securities	36,954	-	-	36,954
Equities:				
U.S. large cap	775,722	-	-	775,722
U.S. mid cap	228,201	-	-	228,201
U.S. small cap	178,126	-	-	178,126
Emerging market	335,629	-	-	335,629
Global	353,693	-	-	353,693
Real estate	114,465	-	-	114,465
Equity funds	307,719	-	-	307,719
Total Investments	$ 3,221,699	$ -	$ -	$ 3,221,699

Note 5 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2017			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2017
Investments				
Mutual funds:				
U.S. fixed income	$ 630,606	$ -	$ -	$ 630,606
International bonds	194,811	-	-	194,811
Emerging market bonds	103,553	-	-	103,553
High-yield bonds	50,805	-	-	50,805
Convertible bonds	42,263	-	-	42,263
Preferred securities	41,515	-	-	41,515
Equities:				
U.S. large cap	869,217	-	-	869,217
U.S. mid cap	246,568	-	-	246,568
U.S. small cap	174,834	-	-	174,834
Emerging market	402,799	-	-	402,799
Global	409,674	-	-	409,674
Real estate	132,718	-	-	132,718
Equity funds	372,230	-	-	372,230
Total investments	$ 3,671,593	$ -	$ -	$ 3,671,593

Not included in the above tables is $10,742 and $12,534 of money market funds as of June 30, 2018 and 2017, respectively. WINGS considers money market funds held in brokerage accounts to be comparable to cash, which can be used to buy or sell investments in marketable equity securities or fixed-income securities.

Note 6 - Fixed Assets

The cost of the Organizations' fixed assets as of June 30, 2018 and 2017 were as follows:

	2018	2017
Land	$ 1,041,644	$ 1,041,644
WINGS Metro, LLC land and improvements	383,743	383,743
Buildings and improvements	13,631,107	13,482,723
Furniture and fixtures	432,830	417,428
Computer equipment and software	196,408	196,408
Vehicles	53,121	67,601
Construction in progress	1,500	5,500
Total cost	15,740,353	15,595,047
Less accumulated depreciation	2,389,351	1,889,367
Net book value	$ 13,351,002	$ 13,705,680

Depreciation expense for June 30, 2018 and 2017 was $514,504 and $499,291, respectively.

Note 7 - Line of Credit

On September 20, 2012, WINGS entered into a secured revolving line of credit agreement with JPMorgan Chase Bank, N.A. to expire on October 1, 2013. The line of credit is not to exceed $250,000 and bears an interest rate of 4.75 percent. It was renewed until October 1, 2018. The loan is collateralized by the mortgage and assignment of all rents of real property located in Park Ridge, Rolling Meadows, and Barrington. As of June 30, 2018 and 2017, there was no outstanding balance. Management has the intention to renew its line of credit with similar terms upon expiration.

Note 8 - Mortgage Loans Payable

Mortgage loans payable at June 30, 2018 and 2017 are as follows:

	2018	2017
IHDA mortgage loan dated March 1, 2003 for $468,000; $100 payable monthly with no interest; due on January 31, 2034; secured by the building at 7920 Niles Avenue, Skokie, Illinois. The mortgage agreement requires an escrow reserve for a working capital reserve. Total amount due as of June 30, 2018 and 2017 was $451,900 and $453,100, respectively. Imputed interest as of June 30, 2018 and 2017 was $256,464 and $266,585, respectively, at 5.75 percent	$ 195,436	$ 186,515
On August 25, 2014, WINGS received property at 7000 Plumtree Lane, Hanover Park, Illinois with a loan attached. The property needs to be operated in compliance with the Neighborhood Stabilization Program until December 16, 2026, at which time the entire loan will be forgiven	179,227	179,227
On August 25, 2014, WINGS received property at 1623 McKool Avenue, Streamwood, Illinois with a loan attached. The property needs to be operated in compliance with the Neighborhood Stabilization Program until December 15, 2025, at which time the entire loan will be forgiven	149,752	149,752
JPMorgan Chase Bank, N.A. mortgage loan dated September 20, 2012 for $500,000, $3,909.86 payable monthly. including interest at 3.2 percent; due on October 1, 2022; secured by property at 1445 Hicks Road, Rolling Meadows, Illinois, 1910 West Touhy Avenue, ParkRidge, Illinois and 156 North Hager Avenue, Barrington, Illinois. This loan agreement is subject to certain financial covenants related to debt service coverage ratio	352,159	381,385
JPMorgan Chase Bank, N.A. mortgage loan dated April 4, 2013 for $500,000; $3,952.96 payable monthly, including interest at 4.93 percent; due on April 1, 2023; secured by property at 5104 Tollview Drive, Suite B, Rolling Meadows, Illinois. This loan agreement is subject to certain financial covenants related to debt service coverage ratio	367,833	396,109
JPMorgan Chase Bank, N.A. mortgage loan dated July 28, 2014 for $350,000; $1,888.11 payable monthly including interest at a variable rate. Due on August 1, 2019; secured by property at 1265 Oakton, Elk Grove, Illinois. This loan agreement is subject to certain financial covenants related to debt service coverage ratio	302,976	313,353
Total mortgage loans payable	$ 1,547,383	$ 1,606,341

Note 8 - Mortgage Loans Payable (Continued)

Maturities of the mortgage loans are as follows:

Years Ending	Amount
2019	$ 76,289
2020	347,176
2021	67,699
2022	71,041
2023	466,763
Thereafter	773,679
Less interest factor	(255,264)
Total	$ 1,547,383

For the years ended June 30, 2018 and 2017, WINGS paid interest for all mortgage loans payable and the line of credit in Note 7 in the amount of $49,131 and $49,832, respectively. The remainder was imputed interest expense related to the interest-free notes.

Note 9 - Construction Loan Payable

The LLC entered into a $4,000,000 construction loan with its lender on April 8, 2015. The promissory note allowed advances to be taken under the note from the date of commencement through April 15, 2017 (the "Draw Period"). On April 24, 2017, the LLC renegotiated the construction loan into a new promissory note with the lender. The note extended the Draw Period to October 15, 2017. Total draws amounted to $3,510,345 as of June 30, 2016. No additional amounts were drawn in 2017. The note required principal-only payments of $300,000 on or before April 15, 2017, $300,000 on or before July 15, 2017, and $600,000 on or before October 15, 2017. Then beginning on November 15, 2017, monthly principal and interest payments of approximately $46,000 are required through the maturity date of April 15, 2022, at which time any and all principal and interest will be due. The interest rate of the note is LIBOR plus 2.47 percent (effective rate of 4.54 percent and 3.64 percent at June 30, 2018 and 2017, respectively), and the note is collateralized by substantially all of the assets of the LLC. WINGS Program, Inc. is the guarantor on the note. A total of $102,269 and $111,632 of interest was expensed as a period cost for the years ended June 30, 2018 and 2017, respectively.

Maturity of the construction loan is as follows:

Years Ending	Amount
2019	$ 249,885
2020	261,432
2021	273,936
2022	1,357,822
Total loan payable	2,143,075
Less unamortized debt issuance costs	(15,362)
Total	$ 2,127,713

Note 10 - New Market Tax Credit Program and Financing

The New Market Tax Credit (NMTC) Program was designed to stimulate investment and economic growth in low-income communities by offering taxpayers a 39 percent tax credit against federal income taxes over a seven-year period for Qualified Equity Investments (QEIs) in designated Community Development Entities (CDEs). The CDEs received NMTC allocations pursuant to Section 45D of the Internal Revenue Code. These designated CDEs must use substantially all of the proceeds to make Qualified Low Income Community Investments (QLICIs). To earn the tax credit, the QEI must remain invested in the CDE for a seven-year period. Also, the entity receiving the loans needs to be treated as a Qualified Active Low Income Community Business (QALICB) for the duration of the seven-year period. The QALICB requirements are outlined in Treasury Regulation Section 1.45D-1(d)(4)(i).

On March 31, 2016, the LLC entered into a debt transaction to access additional funds through the NMTC program. The LLC, as the QALICB in this transaction, received $5,000,000 in the form of two QLICI loans from PNBI Subsidiary CDE11, LLC (a Sub-CDE of the Tax Credit Investor, US Bank National Association). These funds were used for the construction of the Redevelopment Project, as discussed in Note 1.

PNBI QLICI Loan A, in the amount of $3,993,345, requires quarterly interest-only payments of $13,964 through June 30, 2022, with quarterly principal and interest payments of $38,681 thereafter, through the maturity date of March 30, 2046. Interest is at a fixed rate of 1.39 percent, and interest expense as of June 30, 2018 and 2017 was $55,856.

PNBI QLICI Loan B, in the amount of $1,006,655, requires quarterly interest-only payments of $3,520 through June 30, 2022, with quarterly principal and interest payments of $9,750 thereafter, through the maturity date of March 30, 2046. Interest is at a fixed rate of 1.39 percent, and interest expense as of June 30, 2018 and 2017 was $14,080.

Unamortized debt issuance costs related to the loans amounted to $281,598 and $340,881 as of June 30, 2018 and 2017, respectively.

The transaction is subject to a put/call option. U.S. Bank National Association, the Tax Credit Investor (TCI), has a put option whereby upon exercise of the option after the last day of the tax credit investment period, the LLC is obligated to purchase the TCI's 100 percent interest in USBCDC Investment Fund 150, LLC, the state investment fund and CDE, for $1,000. At the end of the seven-year tax credit investment period, the LLC has the call option whereby if exercised, it has the right to purchase the TCI's 100 percent membership interest in USBCDC Investment Fund 150, LLC, at fair value.

As part of the NMTC program, WINGS Program, Inc. finalized an agreement on March 31, 2016 to lend $3,993,345 to USBCDC Investment Fund 150 LLC, wholly owned by U.S. Bank National Association. The loan receivable balance was $3,993,345 as of June 30, 2018 and 2017. The loan bears interest at 1.00 percent and is payable in quarterly installments of interest, with the balance due on March 30, 2046.

Note 11 - Temporarily Restricted Net Assets

The following items are considered temporarily restricted as of June 30, 2018 and 2017 due to either use or time restrictions:

	2018	2017
McCabe House	$ 158,541	$ 170,160
Restricted to programs	523,965	978,622
Fire Relief Fund	201,798	151,798
Endowment earnings - Purpose restricted	896,109	1,347,795
Capital campaign	89,976	95,010
Imputed interest	255,264	265,384
Net book value	$ 2,125,653	$ 3,008,769

Note 12 - Permanently Restricted Net Assets

Fixed Assets

WINGS previously received several contributions of property valued at $222,750.

Endowment

The portion of perpetual endowment funds required to be retained permanently by explicit donor stipulation is $2,336,337.

Note 13 - Endowment

WINGS' endowment consists of five donor-restricted individual funds established to ensure the future of WINGS. As required by U.S. GAAP, these funds are classified and reported as permanently restricted based on the existence of these restrictions.

The board of directors of WINGS has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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, WINGS classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment and (2) the original value of subsequent gifts to the permanent endowment. The 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 WINGS in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, WINGS considers the following factors, among others, in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of WINGS
- The investment policies of WINGS

Return Objectives and Risk Parameters

The investment objective of the endowment assets is to ensure that the future growth of these assets is sufficient to offset normal inflation plus reasonable spending, thereby preserving the constant dollar value and purchasing power of the endowment for future generations. It is expected that the endowment funds, over time, will provide an average rate of return of approximately 5 percent annually above the Consumer Price Index (CPI). Actual returns in any given year may vary from this amount.

Spending Policy and Relationship with Investment Objectives

It is WINGS' policy to have available for annual discretionary distribution 5 percent of a trailing three-year or five-year average of the endowment's total asset value, with the understanding that this spending rate plus inflation will not normally exceed total return from investment. During 2018, an appropriation of $600,000 was approved by the board to cover required payments on the construction loan. There were no appropriations in 2017.

Note 13 - Endowment (Continued)

Strategies Employed for Achieving Objectives

WINGS has established investment policies, guidelines, and restrictions that serve as a framework to help the endowment and its investment managers achieve the investment objectives at an acceptable level of risk. The general policy is to diversify investments among equity securities and fixed-income securities to provide a balance that will enhance total return while avoiding undue risk from concentration in any single asset class or investment category.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires to be retained as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in unrestricted net assets. These deficiencies result from unfavorable market price fluctuations over the course of the respective investment periods. There were no deficiencies as of June 30, 2018 and 2017.

Information regarding the endowment net assets as of June 30, 2018 and 2017 and changes in endowment net assets for the years then ended follows:

	Endowment Net Asset as of June 30, 2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-designated endowment funds	$ -	$ 896,109	$ 2,336,337	$ 3,232,446

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets - Beginning of year	$ -	$ 1,347,795	$ 2,336,337	$ 3,684,132
Appropriated	-	(600,000)	-	(600,000)
Investment income	-	112,000	-	112,000
Investment expense	-	(15,891)	-	(15,891)
Net appreciation (realized and unrealized)	-	52,205	-	52,205
Endowment net assets - End of year	$ -	$ 896,109	$ 2,336,337	$ 3,232,446

Note 13 - Endowment (Continued)

	Endowment Net Asset as of June 30, 2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-designated endowment funds	$ -	$ 1,347,795	$ 2,336,337	$ 3,684,132

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets - Beginning of year	$ -	$ 893,958	$ 2,336,337	$ 3,230,295
Appropriated	-	-	-	-
Investment income	-	104,870	-	104,870
Investment expense	-	(21,409)	-	(21,409)
Net appreciation (realized and unrealized)	-	370,376	-	370,376
Endowment net assets - End of year	$ -	$ 1,347,795	$ 2,336,337	$ 3,684,132

Note 14 - Donated Property and Equipment, Materials, Services, and Facilities

In-kind donations of materials are recorded at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Conditional transfers of assets are recognized when the conditions upon which they depend are substantially met. During the years ended June 30, 2018 and 2017, WINGS received in-kind donations of $147,278 and $118,151, respectively, and donations of gift certificates of $36,586 and $4,406, respectively.

Donations of services are recorded if they create or enhance a nonfinancial asset or are specialized skills that would be purchased if they were not donated. WINGS received 46,533 and 48,187 hours of volunteer time in the years ended June 30, 2018 and 2017, respectively. While some of this time was from professional services, the value of all such services is not estimable. The majority of the donated services are not considered specialized or as enhancements to a nonfinancial asset and, thus, are not recorded in the consolidated financial statements. During the years ended June 30, 2018 and 2017, WINGS recorded donated services of $14,400 and $46,405, respectively.

Donations of use of facilities are recorded at their fair value. Such donations are reported as unrestricted support. During the years ended June 30, 2018 and 2017, WINGS received donated use of facilities valued at $41,497.

Note 15 - Lease Obligation and Rent Expense

In June 2014, WINGS entered into an operating lease agreement effective September 26, 2014 for the resale store at 300 West Golf Road, Schaumburg, Illinois for five years. On April 3, 2017, an amendment was signed adding space and extending the lease for two and a half more years. Monthly rent expense is $12,622, plus an annually determined amount for common area costs as well as real estate taxes.

In December 2014, WINGS extended its operating lease agreement effective June 1, 2015 for the resale store at 8349 West Golf Road, Niles, Illinois for five years. Monthly rent expense is $8,947, plus an annually determined amount for common area costs as well as real estate taxes.

In March 2015, WINGS entered into an operating lease agreement effective June 1, 2015 for the resale store at 1302 North Rand Road, Prospect Heights, Illinois for five years. Monthly rent expense is $6,895, plus an annually determined amount for common area costs as well as real estate taxes.

There are numerous one-year operating leases for program residences as of June 30, 2018. These are funded under contracts with the U.S. Department of Housing and Urban Development, as well as collaborations with other community agencies.

Rent expense on long-term leases for the years ended June 30, 2018 and 2017 was $594,846 and $507,878, respectively, which included the cost of donated facilities (see Note 14). Rent expense on program residence leases was $658,289 and $475,583 for the years ended June 30, 2018 and 2017, respectively.

The estimated future minimum rent and lease obligation for the succeeding years under noncancelable operating leases in effect as of June 30, 2018 are as follows:

Years Ending June 30	Rent
2019	$ 494,438
2020	355,160
2021	281,826
2022	124,355
Total	$ 1,255,779

Note 16 - Retirement Plans

WINGS has established a 403(b) plan that allows eligible employees to defer payment of taxes on a portion of their salary by making contributions to the plan through payroll deductions. At the discretion of the board of directors, WINGS may make a matching contribution. No employer contributions were made for the years ended June 30, 2018 and 2017.

Note 17 - Special Events

Revenue and expenses from development projects are shown at the gross amounts in the consolidated statement of activities. Gross revenue and expense for each event for the years ended June 30, 2018 and 2017 are as follows:

	2018		
	Revenue	Expense	Net
Sweet Home Chicago	$ 851,750	$ 65,422	$ 786,328
Purple Tie Ball	319,242	101,416	217,826
WINGS in Chicago	75,685	21,617	54,068
Miscellaneous	318,461	117,375	201,086
Total	$ 1,565,138	$ 305,830	$ 1,259,308

	2017		
	Revenue	Expense	Net
Sweet Home Chicago	$ 1,007,852	$ 68,347	$ 939,505
Purple Tie Ball	338,686	110,825	227,861
WINGS in Chicago	131,513	33,637	97,876
Miscellaneous	243,103	116,267	126,836
Total	$ 1,721,154	$ 329,076	$ 1,392,078

As of June 30, 2017, special events revenue of $166,505 was restricted at the events by donors for specified programs and/or projects. There were no restrictions on special events revenue as of June 30, 2018.

Note 18 - Grants from Townships and Municipalities

Grants from townships and municipalities for the years ended June 30 consist of the following:

	2018	2017
City of Des Plaines, Illinois	$ 6,000	$ 8,447
Elk Grove Township	1,500	1,500
Hanover Township	15,520	6,710
Maine Township	4,540	1,125
Niles Township	10,000	5,000
Northfield Township	-	2,750
Schaumburg Township	15,000	10,333
Village of Arlington Heights, Illinois	6,000	7,225
Village of Hanover Park, Illinois	-	5,000
Village of Mt Prospect, Illinois	12,030	9,533
Village of Palatine, Illinois	1,811	8,000
Village of Schaumburg, Illinois	7,102	5,625
Wheeling Township	7,553	10,351
Palatine Township	5,000	-
Total	$ 92,056	$ 81,599

Note 19 - Related Party Transactions

Property Management Agreement

The LLC entered into an agreement with GSDC DV, LLC, one of its members, to be the manager of the Project's property, which includes, but is not limited to, the management, operations, leasing supervision, repairs and maintenance, and financing of the property. The amount paid to GSDC DV, LLC for the years ended June 30, 2018 and 2017 was $0.

Additional Information

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Independent Auditor's Report on Additional Information

To the Board of Directors
WINGS Program, Inc.

We have audited the consolidated financial statements of WINGS Program, Inc. and its subsidiaries as of and for the years ended June 30, 2018 and 2017 and have issued our report thereon dated September 20, 2018, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The June 30, 2018 consolidating statements of financial position and activities for the years ended June 30, 2018 and 2017 are presented for the purpose 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.

Plante & Moran, PLLC

September 20, 2018

Consolidating Statement of Financial Position

June 30, 2018
(with comparative totals for 2017)

	WINGS Program, Inc. and WM Initiatives LLC	WINGS Metro, LLC	Eliminating Entries	2018	2017
Assets					
Current Assets					
Cash and cash equivalents	$ 1,422,723	$ 3,423	$ -	$ 1,426,146	$ 1,767,164
Contracts receivable - Loan receivable	313,867	-	-	313,867	375,102
Assets held for sale	79,000	-	-	79,000	79,000
Prepaid expenses and other current assets	195,647	-	-	195,647	171,937
Total current assets	2,011,237	3,423	-	2,014,660	2,393,203
Other Assets					
Restricted investments	3,232,441	-	-	3,232,441	3,684,127
Restricted cash	-	93,959	-	93,959	118,959
Investment in WINGS Metro, LLC	260,303	(260,303)	-	-	-
IHDA escrow	204,524	-	-	204,524	202,296
Security deposit	31,678	-	-	31,678	31,312
Emergency fund receivables	13,131	-	-	13,131	3,692
Loan receivable - NMTC	3,993,345	-	-	3,993,345	3,993,345
Developer fees receivable	500,000	-	(500,000)	-	-
Timeshare membership - Net of amortization	3,342	-	-	3,342	3,383
Cash held for others	16,529	-	-	16,529	261,131
Total other assets	8,255,293	(166,344)	(500,000)	7,588,949	8,298,245
Fixed Assets - Net	5,280,135	8,570,867	(500,000)	13,351,002	13,705,680
Total assets	**$ 15,546,665**	**$ 8,407,946**	**$ (1,000,000)**	**$ 22,954,611**	**$ 24,397,128**

Consolidating Statement of Financial Position (Continued)

June 30, 2018

(with comparative totals for 2017)

	WINGS Program, Inc. and WM Initiatives LLC	WINGS Metro, LLC	Eliminating Entries	2018	2017
Liabilities and Net Assets					
Current Liabilities					
Accounts payable	$ 236,938	$ 1,600	$ -	$ 238,538	$ 168,009
Accrued compensation	145,970	-	-	145,970	149,107
Current portion of mortgage loans payable	76,289	-	-	76,289	73,014
Current portion of construction loan payable	-	249,885	-	249,885	-
Deferred revenue	317,500	-	-	317,500	76,636
Deferred rent	10,945	-	-	10,945	16,403
Other current liabilities	35,018	7,315	-	42,333	50,667
Cash held for others	16,529	-	-	16,529	261,131
Total current liabilities	839,189	258,800	-	1,097,989	794,967
Mortgage Loans Payable - Net of current portion	1,471,094	-	-	1,471,094	1,533,327
Notes Payable					
Construction loan payable	-	1,893,190	-	1,893,190	3,210,345
QLICI notes payable	-	5,000,000	-	5,000,000	5,000,000
Less unamortized debt issuance costs	-	(296,960)	-	(296,960)	(360,294)
Total notes payable	-	6,596,230	-	6,596,230	7,850,051
Other Long-term Payable	-	500,000	(500,000)	-	-
Deferred Grant Revenue	-	1,287,330	-	1,287,330	1,429,934
Total liabilities	2,310,283	8,642,360	(500,000)	10,452,643	11,608,279
Net Assets					
Unrestricted net assets:					
Undesignated	8,430,174	(234,414)	(488,279)	7,707,481	7,029,902
Noncontrolling interest	-	-	(11,721)	(11,721)	(7,283)
Board designated	121,468	-	-	121,468	198,374
Total unrestricted net assets	8,551,642	(234,414)	(500,000)	7,817,228	7,220,993
Temporarily restricted net assets	2,125,653	-	-	2,125,653	3,008,769
Permanently restricted net assets	2,559,087	-	-	2,559,087	2,559,087
Total net assets	13,236,382	(234,414)	(500,000)	12,501,968	12,788,849
Total liabilities and net assets	**$ 15,546,665**	**$ 8,407,946**	**$ (1,000,000)**	**$ 22,954,611**	**$ 24,397,128**

Wings Program, Inc.

Consolidating Statement of Activities

Year Ended June 30, 2018

	WINGS Program, Inc.						
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Net Assets	WINGS Metro, LLC	Eliminations	Total
Income							
Government Contracts							
FEMA	$ 75,734	$ -	$ -	$ 75,734	$ -	$ -	$ 75,734
Department of Justice OVAW	78,174	-	-	78,174	-	-	78,174
Townships and Municipalities	92,056	-	-	92,056	-	-	92,056
City of Chicago	327,969			327,969	142,604	-	470,573
Cook County CDBG	21,804	-	-	21,804	-	-	21,804
HUD-SHP	486,625	-	-	486,625	-	-	486,625
State of IL - Attorney General	9,000	-	-	9,000	-	-	9,000
State of IL - DHS	323,180	-	-	323,180	-	-	323,180
State of IL - ICADV	375,737			375,737			375,737
State of IL - ICJIA	213,704			213,704	-	-	213,704
Total Government Contracts	**2,003,983**	**-**	**-**	**2,003,983**	**142,604**	**-**	**2,146,587**
Other Revenues							
United Way	94,375	-	-	94,375	-	-	94,375
Contributions	1,062,460	436,870	-	1,499,330	-	-	1,499,330
Program Service Fees	115,352	-	-	115,352	371,914	(371,914)	115,352
Special Event Income (Net of Direct Costs of $305,830)	1,259,308	-	-	1,259,308	-	-	1,259,308
In-Kind Contributions	239,760	-	-	239,760	-	-	239,760
Resale Gross Income (Net of Direct Costs of $1,244,710)	476,562	-	-	476,562	-	-	476,562
Total Other Revenues	**3,247,817**	**436,870**	**-**	**3,684,687**	**371,914**	**(371,914)**	**3,684,687**
Other Income							
Miscellaneous	1,082	-	-	1,082	-	-	1,082
Item Sales Gross Income	17,822	-	-	17,822	-	-	17,822
NCH Partnership	18,667	-	-	18,667	-	-	18,667
Investment Income	45,839	-	-	45,839	-	-	45,839
Net Gain on Fixed Assets	2,000	-	-	2,000	-	-	2,000
Total Other Income	**85,410**	**-**	**-**	**85,410**	**-**	**-**	**85,410**
Released from Restriction	**1,468,447**	**(1,468,447)**	**-**	**-**	**-**	**-**	**-**
Total Income	**6,805,657**	**(1,031,577)**	**-**	**5,774,080**	**514,518**	**(371,914)**	**5,916,684**
Expenses							
Program Expenses							
Safehouse	1,327,422	-	-	1,327,422	-	-	1,327,422
Safehouse at WINGS Metro	1,308,875	-	-	1,308,875	603,272	(371,914)	1,540,233
Transitional Housing	1,661,797	-	-	1,661,797	-	-	1,661,797
Permanent Supportive Housing	302,674	-	-	302,674	-	-	302,674
Community Based Services	306,203	-	-	306,203	-	-	306,203
Total Program Expenses	**4,906,971**	**-**	**-**	**4,906,971**	**603,272**	**(371,914)**	**5,138,329**
Administrative	**505,521**	**-**	**-**	**505,521**	**-**		**505,521**
Development	**708,176**	**-**	**-**	**708,176**	**-**	**-**	**708,176**
Total Functional Expenses	**6,120,668**	**-**	**-**	**6,120,668**	**603,272**	**(371,914)**	**6,352,026**
Change in Net Assets Before Non-Operating Investment Activity	**684,989**	**(1,031,577)**	**-**	**(346,588)**	**(88,754)**	**-**	**(435,342)**
Investment Income (Loss)							
Interest and Dividends	-	112,147	-	112,147	-	-	112,147
Less: Investment Fees	-	(15,891)	-	(15,891)	-	-	(15,891)
Realized and Unrealized Gain on Investments	-	52,205	-	52,205	-	-	52,205
Total Net Investment Income, Net	**-**	**148,461**	**-**	**148,461**	**-**	**-**	**148,461**
Change in Net Assets	**684,989**	**(883,116)**	**-**	**(198,127)**	**(88,754)**	**-**	**(286,881)**
Change in Net Assets Attributable to Non-controlling Interest	**-**	**-**	**-**	**-**	**(4,438)**	**-**	**(4,438)**
Change in Net Assets Attributable to WINGS Program, Inc.	**684,989**	**(883,116)**	**-**	**(198,127)**	**(84,316)**	**-**	**(282,443)**
Beginning Net Assets	**7,866,653**	**3,008,769**	**2,559,087**	**13,434,509**	**(145,660)**	**(500,000)**	**12,788,849**
Ending Net Assets	**$ 8,551,642**	**$ 2,125,653**	**$ 2,559,087**	**$ 13,236,382**	**$ (234,414)**	**$ (500,000)**	**$ 12,501,968**

Wings Program, Inc.

Consolidating Statement of Activities

Year Ended June 30, 2017

	WINGS Program, Inc.						
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Net Assets	WINGS Metro, LLC	Eliminations	Total
Income							
Government Contracts							
FEMA	$ 83,415	$ -	$ -	$ 83,415	$ -	$ -	$ 83,415
Department of Justice OVAW	103,003	-	-	103,003	-	-	103,003
Townships and Municipalities	81,599	-	-	81,599	-	-	81,599
City of Chicago	331,253			331,253	142,604	-	473,857
Cook County CDBG	23,054	-	-	23,054	-	-	23,054
HUD-SHP	443,490	-	-	443,490	-	-	443,490
State of IL - Attorney General	9,000	-	-	9,000	-	-	9,000
State of IL - DHS	312,848	-	-	312,848	-	-	312,848
State of IL - ICADV	69,276			69,276			69,276
State of IL - ICJIA	33,614			33,614	-	-	33,614
Total Government Contracts	**1,490,552**	**-**	**-**	**1,490,552**	**142,604**	**-**	**1,633,156**
Other Revenues							
United Way	103,965		-	103,965	-	-	103,965
Contributions	1,111,657	703,397	-	1,815,054	-	-	1,815,054
Program Service Fees	112,390		-	112,390	217,741	(217,741)	112,390
Special Event Income (Net of Direct Costs of $329,076)	1,225,573	166,505	-	1,392,078	-	-	1,392,078
In-Kind Contributions	210,458		-	210,458	-	-	210,458
Resale Gross Income (Net of Direct Costs of $1,065,019)	280,027		-	280,027	-	-	280,027
Total Other Revenues	**3,044,070**	**869,902**	**-**	**3,913,972**	**217,741**	**(217,741)**	**3,913,972**
Other Income							
Miscellaneous	20	-	-	20	-	-	20
NCH Partnership	22,400	-	-	22,400	-	-	22,400
Investment Income	42,379	323	-	42,702	-	-	42,702
Net Loss on Fixed Assets	(37,831)	-	-	(37,831)	-	-	(37,831)
Total Other Income	**26,968**	**323**	**-**	**27,291**	**-**	**-**	**27,291**
Released from Restriction	**1,082,400**	**(1,082,400)**	**-**	**-**	**-**	**-**	**-**
Total Income	**5,643,990**	**(212,175)**	**-**	**5,431,815**	**360,345**	**(217,741)**	**5,574,419**
Expenses							
Program Expenses							
Safehouse	1,278,438	-	-	1,278,438	-	-	1,278,438
Safehouse at WINGS Metro	994,821	-	-	994,821	596,075	(217,741)	1,373,155
Transitional Housing	1,411,126	-	-	1,411,126	-	-	1,411,126
Permanent Supportive Housing	293,054	-	-	293,054	-	-	293,054
Community Based Services	273,909	-	-	273,909	-	-	273,909
Total Program Expenses	**4,251,348**	**-**	**-**	**4,251,348**	**596,075**	**(217,741)**	**4,629,682**
Administrative	**550,053**	**-**	**-**	**550,053**	**-**		**550,053**
Development	**640,876**	**-**	**-**	**640,876**	**-**	**-**	**640,876**
Total Functional Expenses	**5,442,277**	**-**	**-**	**5,442,277**	**596,075**	**(217,741)**	**5,820,611**
Change in Net Assets Before Non-Operating Investment Activity	**201,713**	**(212,175)**	**-**	**(10,462)**	**(235,730)**	**-**	**(246,192)**
Investment Income (Loss)							
Interest and Dividends	-	104,870	-	104,870	-	-	104,870
Less: Investment Fees	-	(21,409)	-	(21,409)	-	-	(21,409)
Realized and Unrealized Gain on Investments	(11,243)	370,376	-	359,133	-	-	359,133
Total Net Investment Income, Net	**(11,243)**	**453,837**	**-**	**442,594**	**-**	**-**	**442,594**
Change in Net Assets	**190,470**	**241,662**	**-**	**432,132**	**(235,730)**	**-**	**196,402**
Change in Net Assets Attributable to Non-controlling Interest	**-**	**-**	**-**	**-**	**(11,787)**	**-**	**(11,787)**
Change in Net Assets Attributable to WINGS Program, Inc.	**190,470**	**241,662**	**-**	**432,132**	**(223,943)**	**-**	**208,189**
Beginning Net Assets	**7,676,183**	**2,767,107**	**2,559,087**	**13,002,377**	**90,070**	**(500,000)**	**12,592,447**
Ending Net Assets	**$ 7,866,653**	**$ 3,008,769**	**$ 2,559,087**	**$ 13,434,509**	**$ (145,660)**	**$ (500,000)**	**$ 12,788,849**