

**PSYCHO-SOCIAL REHABILITATION CENTER, INC.  
D/B/A FELLOWSHIP HOUSE**

**COMBINED FINANCIAL STATEMENTS WITH INDEPENDENT  
AUDITOR'S REPORT  
FOR THE YEAR ENDED JUNE 30, 2025**



**PSYCHO-SOCIAL REHABILITATION CENTER, INC.**  
**D/B/A FELLOWSHIP HOUSE**  
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**JUNE 30, 2025**

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**Thomas & Company, CPA, PA**  
Certified Public Accountants and Business Consultants

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House  
Miami, Florida

***Report on the Audit of the Financial Statements***

***Opinion***

We have audited the accompanying financial statements of Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House (a Not-for-profit corporation) ("the Organization"), which comprise the statement of combined financial position as of June 30, 2025, and the related statements of activities, functional expenses, and statement of cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House as of June 30, 2025, 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.

***Basis for Opinion***

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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. In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of Federal awards and State Projects, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and *Chapter 10.650, Rules of the Auditor General* is presented for purposes of additional analysis and is not a required part of the 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other

***Supplementary Information (Continued)***

additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

*The Florida Department of State, Rule 65E-14.003*, Audits of Contractors participating in the Substance Abuse and Mental Health Programs require that Schedules of State Earnings, Bed Day Availability, Related Party Transaction Adjustments, and Cost Center Actual Funding Source and Expense Schedule be presented to supplement the financial statements. Such information, although not a part of the financial statements, are required by the Florida Department of State, Rule 65E-14.003, Audits of Contractors Participating in the Substance Abuse and Mental Health Programs, who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2025, on our consideration of Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House's 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 Psycho-Social Rehabilitation Center Inc. D/B/A Fellowship House's internal control over financial reporting and compliance.



Thomas & Company, CPA, PA  
Cooper City, Florida  
November 18, 2025

**PSYCHO-SOCIAL REHABILITATION CENTER, INC.  
D/B/A FELLOWSHIP HOUSE  
COMBINED STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2025**

**ASSETS**

**Current Assets**

Cash	\$ 1,131,145
Grants and Program Fees Receivable	1,355,043
Accounts Receivable, Net	381,007
Prepaid Expenses	118,186

**Total Current Assets** 2,985,381

**Long-Term Assets**

Property and Equipment, Net	3,633,164
Other Assets	109,344
Operating Lease Asset (ROU)	837,685
Finance Lease Asset (ROU)	56,646

**Total Long-Term Assets** 4,636,839

**TOTAL ASSETS** 7,622,220

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

**Current Liabilities**

Account Payable and Accrued Expenses	719,630
Line of Credit	302,243
Current Portion of Mortgage Payable	52,147
Current Portion of Operating Lease Liability	310,304
Current Portion of Finance Lease Liability	23,176

**Total Current Liabilities** 1,407,500

**Non-Current Liabilities**

Non-Current Portion of Mortgage Payable	2,117,576
Loan Payable	66,180
Non-Current Portion Operating Lease Liability, Net	530,981
Non-Current Portion Finance Lease Liability, Net	35,430

**Total Non-Current Liabilities** 2,750,167

**TOTAL LIABILITIES** 4,157,667

**NET ASSETS**

With Donor Restrictions	250,000
Without Donor Restrictions	3,214,553

**TOTAL NET ASSETS** 3,464,553

**TOTAL LIABILITIES AND NET ASSETS** \$ 7,622,220

"The accompanying notes are an integral part of this financial statement

**PSYCHO-SOCIAL REHABILITATION CENTER, INC.  
D/B/A FELLOWSHIP HOUSE  
COMBINED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

<b>REVENUE AND SUPPORT</b>	<b>WITHOUT DONOR RESTRICTIONS</b>	<b>WITH DONOR RESTRICTIONS</b>	<b>TOTAL</b>
Government & State Funding	\$ 11,092,958	\$ -	\$ 11,092,958
Local Government Funding	307,357	-	307,357
Medicaid Income	2,251,959	-	2,251,959
Residential Rents	314,894	-	314,894
Other Income	293,734	-	293,734
<b>TOTAL REVENUE AND SUPPORT</b>	<b>14,260,902</b>	<b>-</b>	<b>14,260,902</b>
<b>OPERATING EXPENSES:</b>			
Program Services	7,901,785	-	7,901,785
Supporting Services	5,207,946	-	5,207,946
Management and General	1,131,593	-	1,131,593
<b>TOTAL EXPENSES</b>	<b>14,241,324</b>	<b>-</b>	<b>14,241,324</b>
<b>CHANGE IN NET ASSETS</b>	<b>19,578</b>	<b>-</b>	<b>19,578</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>3,444,975</b>	<b>-</b>	<b>3,444,975</b>
<b>RECLASSIFICATION OF RESTRICTED ASSETS</b>	<b>(250,000)</b>	<b>250,000</b>	<b>-</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 3,214,553</b>	<b>\$ 250,000</b>	<b>\$ 3,464,553</b>

"The accompanying notes are an integral part of this financial statement"

**PSYCHO-SOCIAL REHABILITATION CENTER, INC.  
D/B/A FELLOWSHIP HOUSE  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2025**

WITHOUT DONOR RESTRICTIONS

	PROGRAM SERVICES										SUPPORTING SERVICES	MANAGEMENT AND GENERAL	TOTAL
	RESIDENTIAL			DAY/ NIGHT	CASE MANAGEMENT	CLUB HOUSE	FACT	MRST	FMT	TOTAL PROGRAM SERVICES			
LEVEL II	LEVEL IV-V	BEHAVIORAL HEALTH											
Salaries	\$ 456,256	\$ -	\$ 1,591,748	\$ 544,535	\$ 372,390	\$ 192,916	\$ 771,804	\$ 43,722	\$ 282,493	\$ 4,255,864	\$ 1,375,902	\$ 573,601	\$ 6,205,367
Fringe Benefits	89,565	-	227,054	73,029	68,174	26,518	166,966	8,190	48,733	708,229	203,664	135,931	1,047,824
<b>TOTAL PERSONNEL COSTS</b>	<b>545,821</b>	<b>-</b>	<b>1,818,802</b>	<b>617,564</b>	<b>440,564</b>	<b>219,434</b>	<b>938,770</b>	<b>51,912</b>	<b>331,226</b>	<b>4,964,093</b>	<b>1,579,566</b>	<b>709,532</b>	<b>7,253,191</b>
Building Occupancy	161,214	-	143,765	139,956	76,716	209,802	24,263	11,842	11,457	779,015	388,639	56,866	1,224,520
Professional Services	33,409	-	33,280	-	-	-	-	-	72,336	139,025	23,754	52,525	215,304
Travel	-	-	12,620	389	4,483	2,168	13,702	-	3,778	37,140	119	25,016	62,275
Equipment Costs	3,420	-	7,127	5,142	3,255	4,307	-	542	1,898	25,691	99,195	18,625	143,511
Food Services	45,967	-	-	202,938	-	40,860	-	-	-	289,765	1,792	-	291,557
Insurance	84,386	-	96,044	37,505	41,098	23,441	23,441	4,064	9,376	319,355	88,508	60,945	468,808
Interest	-	-	3,012	59,822	10,493	16,565	19,577	-	-	109,469	67,781	21,211	198,461
Operating Supplies and Expenses	46,670	-	1,104,141	19,323	13,901	22,105	11,487	2,061	18,544	1,238,232	2,958,592	173,374	4,370,198
<b>TOTAL OTHER EXPENSES</b>	<b>375,066</b>	<b>-</b>	<b>1,399,989</b>	<b>465,075</b>	<b>149,946</b>	<b>319,248</b>	<b>92,470</b>	<b>18,509</b>	<b>117,389</b>	<b>2,937,692</b>	<b>3,628,380</b>	<b>408,562</b>	<b>6,974,634</b>
<b>TOTAL EXPENSES</b>	<b>\$ 920,887</b>	<b>\$ -</b>	<b>\$ 3,218,791</b>	<b>\$ 1,082,639</b>	<b>\$ 590,510</b>	<b>\$ 538,682</b>	<b>\$1,031,240</b>	<b>\$ 70,421</b>	<b>\$ 448,615</b>	<b>\$ 7,901,785</b>	<b>\$ 5,207,946</b>	<b>\$ 1,118,094</b>	<b>\$ 14,227,825</b>

"The accompanying notes are an integral part of this financial statement"

**PSYCHO-SOCIAL REHABILITATION CENTER, INC.  
D/B/A FELLOWSHIP HOUSE  
COMBINED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2025**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$	19,578
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**Adjustment to reconcile change in net assets to net cash provided by (used in) operating activities**

Depreciation		229,643
Non Cash Operating Lease Expense		283,518
Finance Lease Amortization		23,235
(Increase) / Decrease in Grant and Program Fees Receivable		(22,386)
(Increase) / Decrease in Receivables		3,888
(Increase) / Decrease in Prepaid Expenses		(84,862)
(Increase) / Decrease in Other Assets		4,649
Increase / (Decrease) in Accounts Payable and Accrued Exp.		70,485
Increase / (Decrease) in Advance to Mentors		(6,113)
Increase/ (Decrease) in Operating Lease Liability		(282,322)

<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		<b><u>239,313</u></b>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of Equipment		(6,341)
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<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		<b><u>(6,341)</u></b>
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Line of Credit		34,254
Repayment of Mortgage Payable		(11,831)
Repayment of Loan Payable		(3,767)
Repayment of Finance Lease Liability		(22,135)

<b>NET CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES</b>		<b><u>(3,479)</u></b>
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<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>229,493</b>
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<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<b>901,652</b>
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<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>\$</b>	<b><u>1,131,145</u></b>
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**SUPPLEMENTAL INFORMATION**

Interest Paid During the Year	\$	198,461
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**PSYCHO-SOCIAL REHABILITATION CENTER, INC**  
**D/B/A FELLOWSHIP HOUSE**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**Note 1 - Nature of The Organization and Significant Accounting Policies**

**Organization and Purpose**

Psycho-Social Rehabilitation Center, Inc. d/b/a Fellowship House ("Fellowship House") was incorporated in the State of Florida in 1973, as a not-for-profit corporation, for the purpose of assisting patients with a history of psychiatric disabilities by providing pre-vocational training and resocialization services. Fellowship House derives its principal support and revenue on account of grants from federal, state, and county government agencies, third party provider fees, including fees from the Florida Medicaid Program, and rental charges to members. The following entities are combined within the combined financial statements as of June 30, 2025.

- Silver Bluff, Inc. ("Silver Bluff") was created by the Board of Directors of Fellowship House for the purpose of holding specific real estate assets and liabilities and has been reflected within Fellowship House's operations.
- Fellowship House Foundation, Inc. ("Foundation") was created by the Board of Directors of Fellowship House for the purpose of fundraising for the needs of the Fellowship House.
- Fellowship House Employment ("Fellowship Employment") Fellowship House Employment Services, Inc. was created by the Board of Directors of Fellowship House to provide job opportunities for individuals with mental illness to video and audio tape meetings at municipal proceedings.

The accompanying combined financial statements include the accounts of the entities listed above along with the Fellowship House (together referred to as the Organization). They are presented on a combined basis because the four entities have the same management team, common board members, and are financially interrelated. All balances and transactions are eliminated on a combined basis.

The principal programs of the Organization are as follows:

- **Residential Program** - Provides supervised residential facilities varying from twenty-four hour closely supervised group housing to satellite apartments providing assistance on an "on call" basis.
- **Day/Night Program** - provides members with supportive opportunities to enhance social, interpersonal, vocational and basic living skills with the goal of achieving maximum community integration.
- **Behavioral Health Program** - Provides professional assistance to participants with mental health treatment and therapeutic services including consultation and evaluation, medication management, treatment plan review and individual and group therapy to increase coping with mental illness and preventing relapse.
- **Case Management** - Assists members in developing an awareness of and utilization of available community resources.

**PSYCHO-SOCIAL REHABILITATION CENTER, INC**  
**D/B/A FELLOWSHIP HOUSE**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**Note 1 - Nature of The Organization and Significant Accounting Policies (Cont.)**

- **Fact Team Program** - Provides comprehensive community-based treatment and support to persons with severe and persistent mental illness through an accountable and mobile multidisciplinary, organized mental health staff.
- **Club Fellowship** - Utilizing a clubhouse model and a work ordered day, the program provides vocational instruction and employment opportunities to help members focus on their strengths and make proactive decisions regarding their treatment. Staff also provide job development services and assistance to members in applying for outside employment.

**Basis of Presentation**

The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

**Without Donor Restrictions** – Net Assets available for use in general operations and not subject to donor restrictions. Grants and contributions gifted for recurring programs are generally not considered “restricted” under GAAP, though for internal reporting, the Organization tracks such grants and contributions to verify the disbursement matches the intent. Assets restricted solely through the actions of the Board are reported as net assets without donor restrictions, board designated.

**With Donor Restrictions** – Net assets subject to donor-imposed stipulations that are more restrictive than the Organization’s mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates those resources be maintained in perpetuity.

**Contributions** – Contributions are available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as contribution revenue with donor restrictions.

**Donated Materials and Services** – Donated assets, if significant, are recorded as contributions at their estimated values at date of receipt. Donated services are recognized when there is an objective basis to measure such services and such services create or enhance a non-financial asset or the service requires specialized skills that would be purchased if not provided by donation. A substantial number of volunteers have donated significant amounts of their time to the Organization that are not recognized since such contributed services do not meet the preceding criteria.

**PSYCHO-SOCIAL REHABILITATION CENTER, INC  
D/B/A FELLOWSHIP HOUSE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Note 1 - Nature of The Organization and Significant Accounting Policies (Cont.)**

**Allowance for Credit Loss**

The allowance for credit losses is established in accordance with ASC 326, Financial Instruments – Credit Losses, which requires the recognition of lifetime expected credit losses on financial assets measured at amortized cost. Management estimates the allowance based on a comprehensive evaluation of expected losses over the life of the loan portfolio, incorporating historical loss experience, current conditions, and reasonable and supportable forecasts of future economic conditions. As of June 30, 2025, management has recorded an allowance for credit losses of \$32,713.

<b>Description</b>	<b>Amount</b>
Balance at beginning of the year	\$ 10,000
Add: Provision for credit losses	22,713
<b>Balance at end of the year</b>	<b>\$ 32,713</b>

**Property, Plant and Equipment, Net**

Property and equipment are recorded at cost when purchased or constructed or at their estimated fair values when donated. Additions, improvements, and expenditures for maintenance that add materially to productive capacity or extend the life of an asset are capitalized. Other expenditures for maintenance are charged to expenses. In the case of disposals, the assets and related reserves are removed from the accounts and the net amount, less proceeds from disposal, is charged or generally credited to income. Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives of the assets generally ranging from 5 to 25 years for buildings and improvements and from 3 to 10 years for furniture and equipment. In addition, The Organization evaluates the carrying value of long-lived assets when management decides to dispose of the asset or circumstances indicate that the carrying amount of an asset may not be recoverable. The Organization compares the carrying amount of the asset to net future undiscounted cash flows that an asset is expected to generate. The impairment is recognized to the extent that the carrying value is greater than future cash flows.

**Revenue Recognition**

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). This guidance outlines a single, comprehensive model for accounting for revenue from contracts with customers. The residential fee revenue and grants received are generated substantially from completed services. Those services are based on a negotiated unit rate and revenue is recognized once the organization provides the services and bills the managing entity for the units delivered monthly. The organization identifies all performance obligations in connection with the services and only recognizes revenue once the performance obligations have been met and does not believe that it is required to provide additional services or obligations to the client. For grants received the service unit prices (transaction price) are evidenced in the grant award amount and based upon a budget for expenditures. Since the grants are awarded on a unit cost basis and there is a budget established by the Organization, costs are reimbursed in accordance with the units delivered at the end of the month when billings occur with the expenditures as performance obligations are satisfied. For Patient Service revenue, revenue is recognized after the client has received the services and the funds are billed to the insurance company.

**PSYCHO-SOCIAL REHABILITATION CENTER, INC  
D/B/A FELLOWSHIP HOUSE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Note 1 - Nature of The Organization and Significant Accounting Policies (Cont.)**

**Revenue Recognition (Cont.)**

The transaction price is allocated based on the service provided. Revenue is recognized at a specific point in time once the performance obligation relating to the program is met. Typically, billings occur monthly after revenue is recognized. For rental fees, revenue is recognized upon payment by the tenant monthly. Grant Revenues are recorded as revenue once the appropriate performance obligations have been met and monthly billings are submitted. The Organization derives patient service revenue primarily from services provided to patients. The Organization reports revenue from patient services at an amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing patient care. These amounts are due from patients, governmental programs (Medicaid) and private insurers and include variable consideration for retrospective revenue adjustments due to settlements of audits, reviews, and investigations. Generally, the Organization bills the patient and the third-party payors shortly after the services are performed. Revenue for performance obligations is satisfied at a point in time when the goods and services are provided and when the Organization does not believe that it is required to provide additional goods, services, or obligations to the patient.

The Organization's ability to collect revenue is affected by a variety of factors, including general economic conditions and third-party payors and the patient's financial capability. The Organization determines the transaction price based on standard billing rates for goods and services provided, reduced by contractual adjustments provided to third-party payor, discounts provided to uninsured patients, and patient responsibility in accordance with the Organization's policy and/or implicit price concessions provided to uninsured patients and responsibility after insurance. The Organization determines its historical experience. The Organization determines its estimate of implicit price concessions based on its historical collection experience for each applicable patient portfolio. Agreements with third-party payors typically provide for payments at less than standard billing rates.

The payment arrangements with major third-party payors are as follows:

- Medicaid - The Medicaid program operated by the state of Florida Organization for Health care Administration ("AHCA") provides reimbursements for certain outpatient services rendered to beneficiaries of the program based upon a predetermined reimbursable cost rate.

Additionally, patients who are covered by third-party payors are responsible for related co-pays and deductibles which vary in amount. The Organization also provides services to uninsured patients and offers those uninsured patients a discount on the Organization's standard billing rates. The Organization estimates the transaction price for patients with co-pays and deductibles and for uninsured patients based on historical collection experience and current market conditions. The initial estimate of the transaction price is determined by reducing the Center's standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price, if any, are generally recorded as an adjustment to revenue in the period of the change. Contractual adjustments, or differences in standard billing rates and the payments derived from contractual terms with governmental and private insurers, are recorded based on management's best estimates in the period in which services are performed and a payment methodology is established with the patient.

**PSYCHO-SOCIAL REHABILITATION CENTER, INC  
D/B/A FELLOWSHIP HOUSE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Note 1 - Nature of The Organization and Significant Accounting Policies (Cont.)**

**Revenue Recognition (Cont.)**

Recorded estimates or past contractual adjustments are subject to change, in large part, due to ongoing contract negotiations and regulation changes, which are typical in the U.S. healthcare industry. Revisions to estimates are recorded as contractual adjustments in the periods in which they become known and may be subject to further revisions. Subsequent changes in estimates for third-party payors that are determined to be the result of an adverse change in a payor's ability to pay are recorded as a bad debt expense. Laws and regulations governing Medicaid programs are complex and subject to interpretation as well as significant regulatory action in the normal course of business. The Organization is subject to contractual reviews and audits. As a result, there is at least a reasonable possibility that recorded estimates will change in the near term.

In addition, the Organization's contracts with private insurers may provide for a retroactive audit or review of claims. The Organization believes that it is in compliance with applicable laws and regulations governing the Medicaid programs and that adequate provisions have been made for any adjustments that may result from final settlements from governmental agencies and private insurers. Retroactive adjustments are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care.

These settlements, if applicable, are estimated and accrued based on settlement agreements and historical settlement experience in the period in which the related services are rendered and adjusted in future periods as final settlements are determined. No adjustment has been recorded as the Organization does not expect there to be any retrospective adjustments for services performed prior to July 1, 2024.

**Revenue Recognition – Nonexchange Transactions**

The organization receives grants and contribution revenue from several sources including the state government, private foundations, and other donors. Grants are evaluated as to whether they qualify as exchange transactions or contributions as defined by U.S. GAAP. Grants that primarily provide commensurate value to the public are reported as contributions and recognized as eligible grant activities are conducted.

**Revenue Recognition – Exchange Transactions**

The Organization applies FASB ASC 606 to exchange transactions in which it receives consideration from individuals with Medicaid. Under U.S. GAAP, these arrangements are exchange transactions between the organization and the individuals participating in the organization's programs. These contracts are monthly services which are offered and billed after the services are rendered for the applicable period for the program revenues. No deposits are received for the program. Contracts related to program fees typically do not extend past one month. No impairment losses are recognized as revenue is billed at the beginning of the month, collected, and earned within the same time month. Revenue is billed at the beginning of the month and the services are transferred within that monthly period and revenue is recognized at the completion of the month. Revenue is recognized as performance obligations are satisfied, which is ratably over the service period.

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NOTES TO COMBINED FINANCIAL STATEMENTS  
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**Note 1 - Nature of The Organization and Significant Accounting Policies (Cont.)**

**Revenue Recognition – Exchange Transactions (Cont.)**

The performance obligations related to the program fees are the reciprocal transfer of the service from the program and curriculum and the fee for which the program relates. This transfer typically happens within one month of the revenue being billed and recognized. The transaction price is listed on brochures and the organization’s website where the fees are allocated for the specific service. Because all of its performance obligations relate to contracts with a duration of less than one year, the organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to providing program services.

<i>Year ended June 30, 2025</i>	
Medicaid Income	\$ 2,251,959
<b>Total Revenue Subject to ASC 606</b>	<b>2,251,959</b>
<b>Total Revenue not Subject to ASC 606</b>	<b>12,008,943</b>
<b>Total Revenue</b>	<b>\$ 14,260,902</b>

**Contract Balances**

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Statement of Financial Position. Amounts are billed upon achievement of contractual milestones. However, sometimes receive advances or deposits from our customers, before revenue is recognized, resulting in contract liabilities. These deposits are liquidated when revenue is recognized. The Beginning and Ending balances of contract receivables are the following:

	<u>2025</u>	<u>2024</u>
Receivables	\$ 1,736,050	\$ 1,717,552
Unbilled Receivables	-	-
Advances and Deposits	-	-

It is the policy of the Organization to record the total grant amount at the time of award and defer the unexpended portion until earned. Government funds restricted by the grantor for plant acquisitions or operating purposes are deemed to be earned and reported as revenue when the Organization has incurred expenditures in compliance with the specific restrictions.

**Basis of Accounting**

The Organization uses the accrual method of accounting as prescribed by Generally Accepted Accounting Principles in the United States of America.

**PSYCHO-SOCIAL REHABILITATION CENTER, INC  
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NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Note 1 - Nature of The Organization and Significant Accounting Policies (Cont.)**

**Estimates**

The preparation of combined financial statements in accordance with accounting principles generally accepted in the United States of America the use of estimates and assumptions by management. Such estimates, which are based on prior operating history and industry standards, affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Income Taxes**

The Organization is exempt from Federal Income taxes under Section 501 (c) 3 of the Internal Revenue Code and is not a private foundation, accordingly no provision for income taxes is provided. Accordingly, no provision for income taxes is required for the Organization during the year ended June 30, 2025. Additionally, Topic 740 provides guidance on measurement, de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. In accordance with the disclosure requirements, the Organization's policy on income statement classification of interest and penalties related to income tax obligations is to include such items as part of total interest expense and other expense, respectively. On June 30, 2025, the Organization did not have any uncertain tax positions and thus has not recognized any interest or penalties in these combined financial statements.

**Fixed Assets**

Fixed Assets valued at more than \$1,000 are capitalized. Fixed Assets are valued at cost when purchased or estimated fair value at date of donation and are depreciated using the straight-line method over their estimated useful lives of five to seven years. In the absence of donor restrictions in the use of donated fixed assets, the Organization records such donations as revenue in the period received. As of June 30, 2025, The Organization has following Assets:

	<b>Fellowship House</b>	<b>Fellowship Foundation</b>	<b>Consolidated</b>	
			<b>2025</b>	<b>2024</b>
Land	\$ 2,346,020	\$ -	\$ 2,346,020	\$ 2,346,020
Building Improvements	4,920,194	269,971	5,190,165	5,190,165
Furniture, Fixtures and Equipment	2,764,850	-	2,764,850	2,758,509
<b>Total</b>	<b>10,031,064</b>	<b>269,971</b>	<b>10,301,035</b>	<b>10,294,694</b>
Less: Accumulated Depreciation	(6,638,769)	(29,102)	(6,667,871)	(6,438,228)
<b>Net Assets</b>	<b>\$ 3,392,295</b>	<b>\$ 240,869</b>	<b>\$ 3,633,164</b>	<b>\$ 3,856,466</b>

For the year ending June 30, 2025, Fellowship House had a depreciation expense of \$216,144, and Fellowship Foundation had a depreciation expense of \$13,499.

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**Note 1 - Nature of The Organization and Significant Accounting Policies (Cont.)**

**Cash and Cash Equivalents**

The Organization maintains its cash accounts in several financial institutions. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for each institution. The Organization has cash balances on deposit with a certain financial institution that may exceed the balance insured by the FDIC. The Organization believes it is not exposed to any significant credit risk since it has not experienced any losses in such accounts previously and the financial institutions are sound institutions.

**Fair Value of Financial Instruments**

The carrying amount of receivables approximates fair value because of the short-term nature of such receivables or the credit worthiness, interest rates, and collateral provided on long-term receivables. The carrying value of notes payable generally approximates fair value due to short-term maturities, adjustable interest rates and interest rates that are similar to current rates obtained by the Organization. Borrowings and loans generally from government sources, for the acquisition of long-lived assets are reflected at face value when the use of the long-lived asset is stipulated by the government lender (grantor) and the sale or deviation from such stipulated use requires immediate repayment of the grant.

**Note 2 - Allowance for Doubtful Accounts**

Accounts Receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through adjustments to valuation allowances based on its assessment of the current status of individual receivables. Balances are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance.

**Note 3 - Line of Credit**

Effective December 31, 2024, the Organization renewed its \$500,000 revolving line of credit with United Community Bank, replacing the prior thirteenth renewal. The line of credit bears interest at 1% above the Wall Street Journal Prime Rate, adjusted daily, with a minimum rate of 6%; the initial rate was 8.50%. The obligation requires interest-only monthly payments through the December 31, 2026 maturity date, when all outstanding principal and interest become due. Advances are limited to 80% of eligible accounts receivable (balances under 90 days), and the Organization must either meet specified “rest period” requirements or maintain average balances equal to 70% of highest line usage. The note is secured by multiple real properties and a continuing security interest in all organizational assets, and is cross-defaulted and cross-collateralized with other loans from the same lender. Additional covenants include maintaining primary banking with the lender and providing audited financial statements and tax filings within specified deadlines. The note may be prepaid without penalty and includes customary default, acceleration, and waiver-of-jury-trial provisions. The balance as of June 30, 2025 was \$ 302,423. Interest expense on the LOC totaled \$28,309 for the year ended June 30, 2025.

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**Note 4 - Mortgage Payable**

On August 22, 2024, the Organization executed a Consolidated Promissory Note with United Community Bank in the amount of \$2,222,000, combining a renewal note of \$2,173,652 and an advance note of \$48,348. The note requires 119 monthly payments beginning September 22, 2024, with a balloon payment due at maturity on August 22, 2034. Interest is fixed at 7.50% through August 21, 2029, after which it adjusts to Term SOFR plus 2.18% (minimum 6%) for the remainder of the term. The loan is secured by an Amended and Restated Florida Mortgage and Security Agreement, a Conditional Assignment of Leases, Rents and Profits, and related loan documents. The agreement includes provisions for prepayment penalties (through the third anniversary), late charges, events of default, benchmark transition adjustments, and lender rights to sell or assign the loan.

The note was executed by the Organization’s President and CEO and notarized in Miami-Dade County, Florida. As of June 30, 2025, the Note had an outstanding balance of \$ 2,169,723.

The principal payments on the Mortgage payable are due as follows:

<b>Year Ending June 30,</b>	<b><u>Amount</u></b>
2026	\$ 52,147
2027	56,058
2028	60,262
2029	64,782
2030	69,641
Thereafter	<u>1,866,833</u>
	<b><u>\$ 2,169,723</u></b>

Interest expense on the mortgage payable totaled \$138,198 for the year ended June 30, 2025.

**Note 5 - Commitments and Contingencies**

In the normal course of activities, the Organization receives grants and other forms of reimbursement from various government agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. Management believes that all the expenditures are properly recorded and that the liability, if any, for any reimbursement which may arise as the result of audits would not be material.

**Note 6 - Trust Funds Payable**

Fellowship House acts as a representative payee for social security benefits on behalf of members. The benefits are managed by Fellowship House to ensure that the member’s current and foreseeable needs are being provided. The benefits in excess in current needs requirements are held in an account with a financial institution. As of June 30, 2025, funds for members consisted of \$45,535.

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**Note 7 - Economic Dependency**

The Organization's program service revenues are derived mostly from contracts with the State of Florida Department of Children and Families. The majority of the revenues related to these contracts are for direct services provided through subcontracts with providers. The Organization's ability to continue operating is primarily predicated on funding from governmental agencies and is expected to continue.

**Note 8 - Concentration of Credit Risk**

Fellowship House's major source of support and revenue consists of grants from Federal and State Governments. Accordingly, the Organization's ability to continue operating is dependent on funding from the above funding sources, which is expected to continue.

**Note 9 - Grant Receivables**

Grants receivables consist of amounts due from a governmental agency for services. The carrying amount of Grants receivable is reduced by an allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all Grants receivable balances and based on an assessment of current collectability, estimates the portion of the balance, if any that will not be collected. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. The Organization's receivable amount of \$1,355,043 as of June 30, 2025, is the net balance after providing an allowance for doubtful debts of \$ 32,713.

**Note 10 - 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 benefitted.

**Note 11 - Related Party Transactions**

Related parties include:

- Nancy Green – Board of Director, Treasurer
- Louise Jeroslow, Esq- Board of Director –Vice Chairperson

Related party transactions include:

- Nancy Green is Senior Vice President of Wells Fargo Securities. As of June 30, 2025, the Organization maintained money market accounts with the financial institution.
- Louise Jeroslow is an attorney who provides general legal counsel for the organization.

The Organization has adopted a conflict-of-interest policy whereby board members are disqualified from participating in the final decisions regarding any action affecting their related company or organization.

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**Note 12 - Compensated Absences**

The Organization's liability for compensated absences of their employees was \$147,947, which is included in other accounts payable and accrued expenses as of June 30, 2025. This represents amounts owed to employees under the Organization's paid leave policies.

**Note 13 - Profit Sharing Plan**

Qualified full-time employees of Fellowship House participate in a defined contribution profit-sharing plan. The plan for the benefit of eligible employees upon their retirement, death, or disability, provides for an annual contribution to a trust fund at the discretion of Fellowship House based on a percent of eligible employee adjusted compensation (as defined). In this connection, Fellowship House made a matching contribution of 1% to the plan for the year ended June 30, 2025. The matching employer contribution for the year ended June 30, 2025, was \$ 82,936.

**Note 14 - Liquidity**

The Organization's main source of revenue is contributions and grants. These sources of revenue are what will be used to fund the Organization operations; the remainder of the revenue is from contributions from various sources. The Organization considers contributions without donor restrictions, program income and other miscellaneous income for use in programs that are ongoing, major, and central to its annual operations as available to meet cash needs for general expenditures. General expenditure includes general and administrative expenses, program costs, and other administrative costs which are necessary to sustain operations and are expected to be paid in the subsequent year. Annual operations are defined as total expense related to both program services and supporting services activities.

The Organization manages its cash available to meet general expenditures through the following three guiding principles:

1. Operating within a prudent range of financial soundness and stability
2. Maintaining adequate liquid assets
3. Maintaining sufficient reserves to provide reasonable assurance that long-term agreements or other commitments and obligations will continue to be met, thereby ensuring the sustainability of the Organization.

The Assets which are listed on the balance sheet as current assets (Cash, Grants Receivable and Accounts Receivable) are all assets available for general expenditure. Although complete receivables may not be fully collectible (expected to collect 100%), the net realizable value of Accounts Receivable is available for general expenditure.

**Liquidity Management**

The Organization maintains a policy of structuring financial assets to be available as general expenditures, liabilities, and other obligations become due. In addition to helping manage unanticipated liquidity needs, the Organization has a loan from a financial institution (Note 3 & 4) to draw upon immediate cash needs.

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**Note 15 - Net Assets with Donor Restrictions**

During the year ended June 30, 2025, the Organization reclassified \$250,000 from net assets without donor restrictions to net assets with donor restrictions. This reclassification relates to accounts receivable that were originally recorded without donor restrictions because donor-imposed conditions had not yet been met at that time. Subsequently, upon receipt of the related funds and clarification of donor intent, management determined that the underlying contributions were subject to donor-imposed restrictions. As a result, the corresponding receivable balance and related revenue were reclassified to net assets with donor restrictions to properly reflect the nature of the donor stipulations. This reclassification had no impact on total net assets for the year ended June 30, 2025.

**Note 16 - Lease**

The Organization has elected the hindsight practical expedient to determine the lease term for existing contracts as of the adoption date. Under FASB ASC Topic 842, Leases, lessees that are not public business entities are permitted to use a practical expedient that allows them to make an accounting policy election to use a risk-free rate as the discount rate for all leases.

These practical expedients are applied to the class of underlying leased assets which are not owned including real estate, rental equipment and vehicles given their physical nature and similar characteristics of these assets. The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Variable lease payments are payments that cannot be forecasted and based on specific milestones unrelated to the fixed costs associated with the lease. The Organization's lease agreements do not contain any variable lease payments.

The Organization also elected the short-term leases of practical expedients permitted under the transition guidance within the new standard, which allowed the Organization to elect not to record "short-term" leases on the balance sheet. These practical expedients are applied to the class of underlying leased assets including real estate, rental equipment and vehicles given their physical nature and similar characteristics of these assets. As per FASB ASC 842, a short-term lease is a lease that, at the commencement date, has a 'lease term' of 12 months or less and does not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise. Although short-term leases are in the scope of Topic 842, a simplified form of accounting is permitted.

A lessee can elect, by class of underlying asset, not to apply the recognition requirements of Topic 842 and instead to recognize the lease payments as lease cost on a straight-line basis over the lease term. The Organization has applied this practical expedient on short-term leases.

**The Organization as a Lessor**

**Short-term Leases**

The Organization believes that the short-term lease expedient is appropriate for its month-to-month leases because the leases have a short term and they do not have reasonable certainty to exercise any renewal options. The total rental revenue for the year was \$314,894, all of which was received from tenants who are under the terms of short-term leases.

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NOTES TO COMBINED FINANCIAL STATEMENTS  
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**Note 16 - Lease (Cont.)**

**The Organization as a Lessee**

**Finance Lease**

As of June 30, 2025, the organization had entered Four Finance Leases. The contract details are as follows:

1. On July 1, 2022, the Organization entered a finance lease with Xerox Financial Services to purchase an Equipment. The lease term is for 60 months with monthly lease payments of \$ 172. The rate used to discount the future cash flows as of the implementation date is 5.75%.
2. On July 7, 2023, the Organization entered a finance lease with Graybar Financial Services to purchase a Phone. The lease term is for 60 months with monthly lease payments of \$ 824. The rate used to discount the future cash flows as of the implementation date is 4.85%.
3. On April 25, 2024, the Organization entered a finance lease with Florida Motor Vehicle to purchase a Vehicle. The lease term is for 39 months with monthly lease payments of \$ 691. The rate used to discount the future cash flows as of the implementation date is 4.85%.
4. On July 1, 2024, the Organization entered a finance lease with Honda Financial Services to purchase a Vehicle. The lease term is for 36 months with monthly lease payments of \$ 439. The rate used to discount the future cash flows as of the implementation date is 4.52%.

The leases do not provide an implicit interest rate and as such, Fellowship House calculates the lease liability at lease commencement or remeasurement date as the present value of unpaid lease payments using risk-free rates. The risk-free rate is the theoretical rate of return that would be received on an investment with zero risk.

US Treasury rates are commonly used as risk-free rates and consequently estimates it would have to pay to borrow an amount equal to the lease payments on a collateralized basis over a similar term, based on information available at the time of commencement or remeasurement. The remaining weighted average lease term for the finance leases is 2.54 years.

The weighted-average discount rate for the finance leases is 4.85%. The Organization is financing the acquisition of the assets through the lease, and, accordingly, it is recorded in the Organization's assets and liabilities.

The following is an analysis of the leased assets:

	<b>2025</b>
<b>Finance Lease Asset:</b>	
Beginning Balance	\$ 65,072
Recognized during the year	14,809
Amortization Expense	(23,235)
<b>Finance Lease Asset ROU, Net</b>	<b>\$ 56,646</b>

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**Note 16 - Lease (Cont.)**

**Finance Lease (Cont.)**

The following is an analysis of the finance lease cost:

	<b>2025</b>
<b>Finance Lease Cost:</b>	
Amortization of Right-of-Use Assets	\$ 23,235
Interest on Lease Liabilities	3,373
<b>Total Finance Lease Cost</b>	<b>\$ 26,608</b>

The following is a schedule by years of future minimum payments required under the lease:

Year ending June 30,	<b>Amount</b>
2026	\$ 25,509
2027	25,509
2028	10,579
2029	824
<b>Total Lease Payments</b>	<b>62,421</b>
Less: Imputed Interest	3,815
<b>Present Value of Lease Obligations</b>	<b>\$ 58,606</b>

**Operating Lease**

As of June 30, 2025, the organization had entered Four Operating leases. The contract details are as follows:

1. Morris Investment Partnership LLLP – On January 1, 2024, the Organization entered into a contract with Morris Investment Partnership LLLP to lease a space defined as 5776 for a term of 48 months with the final payment scheduled for December 31, 2027. The monthly lease payment is \$4,150.
2. Morris Investment Partnership LLLP – On January 1, 2024, the Organization entered into a contract with Morris Investment Partnership LLLP to lease a space defined as 5788 for a term of 48 months with the final payment scheduled for December 31, 2027. The monthly lease payment is \$4,150.
3. 1879 N, State Road, LLC – On May 30, 2023, the Organization entered into a contract with 1879 N, State Road, LLC to lease a portion of the Brightstar Building for a term of 36 months with the final payment scheduled for April 30, 2026. The monthly lease payment is \$10,010.

**PSYCHO-SOCIAL REHABILITATION CENTER, INC  
D/B/A FELLOWSHIP HOUSE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Note 16 - Lease (Cont.)**

**Operating Lease (Cont.)**

4. So Miami Kal-Si-Stem LLC – On October 1, 2022, the Organization entered into a contract with So Miami Kal-Si-Stem LLC to lease a Space for a term of 72 months with the final payment scheduled for September 30, 2028. The monthly lease payment is \$10,413.

The leases do not provide an implicit interest rate and as such, the Organization calculates the lease liability at lease commencement or remeasurement date as the present value of unpaid lease payments using an estimated incremental borrowing rate.

The incremental borrowing rate represents the rate of interest that the Organization estimates it would have to pay to borrow an amount equal to the lease payments on a collateralized basis over a similar term, based on information available at the time of commencement or remeasurement. The rate used to discount the future cash flows as of the implementation date is 5.24%, which is the LOC rate of the Organization. The weighted average remaining lease term is 2.47 Years.

The ROU asset and lease liability were remeasured as of the lease implementation date and the impact of the implementation is reflected in the ROU asset and lease liability as of June 30, 2025. ROU assets decreased by \$ 283,518, lease liabilities decreased by \$ 282,322. The maturity of lease liabilities are as follows:

<b>Year ending June 30,</b>	<b>Amount</b>
2026	\$ 347,072
2027	339,462
2028	177,152
2029	41,651
<b>Total Lease Payments</b>	<b>905,337</b>
Less: Imputed Interest	64,052
<b>Present Value of Lease Obligations</b>	<b>\$ 841,285</b>

**Note 17 - Subsequent Events**

ASC Topic 855, Subsequent Events, establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued.

For the year ended June 30, 2025, Fellowship House has evaluated all subsequent events through November 18, 2025, which is the date the financial statements were available to be issued, and concluded no additional subsequent events have occurred that would require recognition or disclosure in these financial statements that have not already been accounted for.

**PSYCHO-SOCIAL REHABILITATION CENTER, INC  
D/B/A FELLOWSHIP HOUSE  
COMBINING STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2025**

	<b>FELLOWSHIP HOUSE</b>	<b>FELLOWSHIP FOUNDATION, INC.</b>	<b>ELIMINATIONS</b>	<b>TOTAL</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash	\$ 836,506	\$ 294,639	\$ -	\$ 1,131,145
Grants and Program Fees Receivable	1,355,043	-	-	1,355,043
Accounts Receivable, Net	381,007	-	-	381,007
Prepaid Expenses	118,186	-	-	118,186
<b>Total Current Assets</b>	<u><b>2,690,742</b></u>	<u><b>294,639</b></u>	<u><b>-</b></u>	<u><b>2,985,381</b></u>
<b>Non-Current Assets</b>				
Property and Equipment, Net	3,392,295	240,869	-	3,633,164
Other Assets	109,344	-	-	109,344
Operating Lease Asset (ROU)	837,685	-	-	837,685
Finance Lease Asset (ROU)	56,646	-	-	56,646
<b>Total Non-Current Assets</b>	<u><b>4,395,970</b></u>	<u><b>240,869</b></u>	<u><b>-</b></u>	<u><b>4,636,839</b></u>
<b>TOTAL ASSETS</b>	<u><b>7,086,712</b></u>	<u><b>535,508</b></u>	<u><b>-</b></u>	<u><b>7,622,220</b></u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable and Accrued Expenses	719,574	56	-	719,630
Line of Credit	302,243	-	-	302,243
Current Portion of Mortgage Payable	52,147	-	-	52,147
Current Portion of Operating Lease Liability	310,304	-	-	310,304
Current Portion of Finance Lease Liability	23,176	-	-	23,176
<b>Total Current Liabilities</b>	<u><b>1,407,444</b></u>	<u><b>56</b></u>	<u><b>-</b></u>	<u><b>1,407,500</b></u>
<b>Non-Current Liabilities</b>				
Non-Current Portion of Mortgage Payable	2,117,576	-	-	2,117,576
Loan Payable	66,180	-	-	66,180
Non-Current Portion Operating Lease Liability, Net	530,981	-	-	530,981
Non-Current Portion Finance Lease Liability, Net	35,430	-	-	35,430
<b>Total Non-Current Liabilities</b>	<u><b>2,750,167</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>2,750,167</b></u>
<b>TOTAL LIABILITIES</b>	<u><b>4,157,611</b></u>	<u><b>56</b></u>	<u><b>-</b></u>	<u><b>4,157,667</b></u>
<b>NET ASSETS</b>				
With Donor Restrictions	250,000	-	-	250,000
Without Donor Restrictions	2,679,101	535,452	-	3,214,553
<b>TOTAL NET ASSETS</b>	<u><b>2,929,101</b></u>	<u><b>535,452</b></u>	<u><b>-</b></u>	<u><b>3,464,553</b></u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 7,086,712</b></u>	<u><b>\$ 535,508</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 7,622,220</b></u>

**PSYCHO-SOCIAL REHABILITATION CENTER, INC.  
D/B/A FELLOWSHIP HOUSE  
COMBINING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

	WITHOUT DONOR RESTRICTIONS		WITH DONOR RESTRICTIONS		ELIMINATIONS	TOTAL
	FELLOWSHIP HOUSE	FELLOWSHIP FOUNDATION, INC.	FELLOWSHIP HOUSE	FELLOWSHIP HOUSE		
<b>REVENUE AND SUPPORT</b>						
Government & State Funding	\$ 11,092,958	\$ -	\$ -	\$ -	\$ -	\$ 11,092,958
Local Government Funding	307,357	-	-	-	-	307,357
Medicaid Income	2,251,959	-	-	-	-	2,251,959
Residential Rents	314,894	-	-	-	-	314,894
Other Income	288,457	5,277	-	-	-	293,734
<b>TOTAL REVENUE AND SUPPORT</b>	<b>14,255,625</b>	<b>5,277</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,260,902</b>
<b>EXPENSES</b>						
Program Services	7,901,785	-	-	-	-	7,901,785
Supporting Services	5,207,946	-	-	-	-	5,207,946
Mangement and General	1,118,094	13,499	-	-	-	1,131,593
<b>TOTAL EXPENSES</b>	<b>14,227,825</b>	<b>13,499</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,241,324</b>
<b>CHANGE IN NET ASSETS</b>	<b>27,800</b>	<b>(8,222)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,578</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>2,901,301</b>	<b>543,674</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,444,975</b>
<b>RECLASSIFICATION OF RESTRICTED ASSETS</b>	<b>(250,000)</b>	<b>-</b>	<b>250,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 2,679,101</b>	<b>\$ 535,452</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,464,553</b>

**PSYCHO-SOCIAL REHABILITATION CENTER, INC.  
D/B/A FELLOWSHIP HOUSE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2025**

Federal /State Agency/ State Project	CFDA / CSFA Number	Contract / Grant Number	Expenditures	Transfers to Subrecipients
<b>I. FEDERAL PROGRAMS</b>				
Department of Health and Human Services <i>Passed through the South Florida Behavioral Health Network</i> Block Grants for Community Mental Health Services	93.958	ME225-13-12	\$ 1,619,900	\$ -
<i>Passed Through the Broward Behavioral Health Coalition</i> Block Grants for Community Mental Health Services	93.958	34387-23	397,352	-
Department of Agriculture <i>Passed through the Department of Elder Affairs</i> Adult Care Food Program	10.558	Y6078	234,706	-
Department of Transportation Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	G2V71	72,681	-
Department of Housing and Urban Development <i>Passed through the Miami Dade County Homeless Trust</i> Supportive Housing Program (Coconut Grove Consolidation)	14.235	FL0178L4002215	198,000	-
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b><u>2,725,639</u></b>	<b><u>-</u></b>
<b>IIA. MATCHING FUNDS FOR FEDERAL PROGRAMS</b>				
<i>Passed Through the South Florida Behavioral Health Network, Inc -</i> Block Grants for Community Mental Health Programs	93.958	ME225-13-12	3,658,233	-
<i>Passed Through the Broward Behavioral Health Coalition</i> Block Grants for Community Mental Health Programs	90.958	34387-23	311,942	-
Temporary Assistance for Needy Families Block Grant	93.558	34387-23	623,234	-
Block Grants for Community Mental Health Programs	90.958	34387-23	1,763,054	-
<b>TOTAL MATCHING FUNDS FOR FEDERAL PROGRAMS</b>			<b><u>6,356,463</u></b>	<b><u>-</u></b>
<b>IIB. STATE PROJECTS</b>				
<i>Passed Through the South Florida Behavioral Health Network, Inc -</i> Forensic Services and Competency Restoration Training	60.114	ME225-13-12	935,243	-
Transitional Services Post-Release	70.011	FH100	572,004	-
<b>TOTAL EXPENDITURES OF STATE PROJECTS</b>			<b><u>1,507,247</u></b>	<b><u>-</u></b>
<b>TOTAL FEDERAL/STATE EXPENDITURES AND MATCHING FUNDS</b>			<b><u>\$ 10,589,349</u></b>	<b><u>\$ -</u></b>

"The Accompanying Notes are an Integral Part of this Schedule"

**PSYCHO-SOCIAL REHABILITATION CENTER, INC**  
**D/B/A FELLOWSHIP HOUSE**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**Note A - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) presents the activity of all federal and state award programs Psycho-Social Rehabilitation Center, Inc., for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, *Rules of the Auditor General* of the State of Florida. Because this schedule presents only a selected portion of the operation of the Psycho-Social Rehabilitation Center, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Psycho-Social Rehabilitation Center, Inc.

**Note B - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, *Rules of the Florida Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note C – Federal Indirect Rate**

Psycho-Social Rehabilitation Center, Inc.'s indirect cost is significantly less than ten percent. Psycho-Social Rehabilitation Center, Inc. did not elect to use the 10 percent de-minimis indirect cost rate.

**PSYCHO-SOCIAL REHABILITATION CENTER, INC.**  
**D/B/A FELLOWSHIP HOUSE**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**SCHEDULE OF STATE EARNINGS**

1 Total Expenditures	\$ 14,227,825
2 Less: Other State and Federal Funds	(1,266,886)
3 Less: Non Match ADM Funds	(2,872,367)
4 Less: Unallowable Cost	-
5 Net Allowable Expenditures	10,088,572
6 Maximum Available earnings (Line 5 time 75 %)	7,566,429
7 Amount of Funds requiring local match	378,069
8 Amount of Maximum Available (earnings in excess of) State funds received (line 6 less Line 7)	\$ 7,188,360

Provider Name: Fellowship House  
 Audit Period: 7/1/2024 - 6/30/2025

**AUDIT SCHEDULE**  
**ACTUAL EXPENSES AND REVENUES SCHEDULE**



STATE-FUNDED														Substance Abuse	Total for State SAMH-Funded Covered Services or Projects (B+C)	Total for Non-Covered Services or Projects	Total for All Covered Services or Projects (D+E)	Non-SAMH Covered Services or Projects	Total Funding (F+G)		
FUNDING SOURCES & REVENUES	Case Management 02	Day Treatment 06	Medical Services 12	Outreach 15	Residential II 19	Incidental Expenses 28	R&B with Sup. II 37	MH Clubhouse 40	Forensic Multidisciplinary Team A0	Transition Voucher B2	Cost Reimbursement B3	FACT Team B5	Mental Health Total B							Substance Abuse Total C	D
<b>IA. STATE SAMH FUNDING</b>																					
<b>Current Year Funding</b>																					
Expenditure Report OCA#	Provider Subcontract #	Funding Source: F-Federal S-State F/S-Federal and State																			
MH001	ME225-14-12	F/S				\$ 170,982.93	\$ 651,327.07						\$ 822,310.00	\$ -	\$ 822,310.00		\$ 822,310.00		\$ 822,310.00		
MH009	ME225-14-12	F/S	\$ 58,181.77	\$ 324,978.78	\$ 18,168.92	\$ 83,018.91	\$ 9,207.82	\$ 263,785.83					\$ 757,342.03	\$ -	\$ 757,342.03		\$ 757,342.03		\$ 757,342.03		
MH072	ME225-14-12	S	\$ 18,284.36			\$ 64,307.60	\$ 1,457.00	\$ 295,905.06					\$ 379,954.02	\$ -	\$ 379,954.02		\$ 379,954.02		\$ 379,954.02		
MH0FH	ME225-14-12	S				\$ 335,661.00		\$ 599,581.76					\$ 935,242.76	\$ -	\$ 935,242.76		\$ 935,242.76		\$ 935,242.76		
MH0FT	ME225-14-12	F/S				\$ 445,837.00					\$ 704,242.62	\$ 545,598.38	\$ 1,695,678.00	\$ -	\$ 1,695,678.00		\$ 1,695,678.00		\$ 1,695,678.00		
MHARP	ME225-14-12	F				\$ 85,196.00							\$ 85,196.00	\$ -	\$ 85,196.00		\$ 85,196.00		\$ 85,196.00		
MHEMP	ME225-14-12	S						\$ 149,999.99					\$ 149,999.99	\$ -	\$ 149,999.99		\$ 149,999.99		\$ 149,999.99		
MHTRV	ME225-14-12	S								\$ 50,928.00			\$ 50,928.00	\$ -	\$ 50,928.00		\$ 50,928.00		\$ 50,928.00		
<b>Total Current Year Funding</b>			\$ 76,466.13	\$ 324,978.78	\$ 18,168.92	\$ 83,018.91	\$ 235,290.53	\$ 877,358.82	\$ 947,232.13	\$ 413,785.82	\$ 599,581.76	\$ 50,928.00	\$ 704,242.62	\$ 545,598.38	\$ 4,876,650.80	\$ -	\$ 4,876,650.80		\$ 4,876,650.80		
<b>Carry Forward Funding</b>																					
Expenditure Report OCA#	Provider Subcontract #	Funding Source: F-Federal S-State F/S-Federal and State																			
MH009	ME225-14-12	S		\$ 16,961.02			\$ 430,590.02						\$ 447,551.04	\$ -	\$ 447,551.04		\$ 447,551.04		\$ 447,551.04		
MH0FT	ME225-14-12	S				\$ 805,578.29							\$ 805,578.29	\$ -	\$ 805,578.29		\$ 805,578.29		\$ 805,578.29		
MHTRV	ME225-14-12	S								\$ 83,595.72			\$ 83,595.72	\$ -	\$ 83,595.72		\$ 83,595.72		\$ 83,595.72		
<b>Total Carry Forward Funding</b>			\$ -	\$ 16,961.02	\$ -	\$ -	\$ 1,236,188.31	\$ -	\$ -	\$ -	\$ -	\$ 83,595.72	\$ -	\$ -	\$ 1,336,725.05	\$ -	\$ 1,336,725.05		\$ 1,336,725.05		
<b>TOTAL STATE SAMH FUNDING =</b>			\$ 76,466.13	\$ 341,939.80	\$ 18,168.92	\$ 83,018.91	\$ 235,290.53	\$ 2,113,527.13	\$ 947,232.13	\$ 413,785.82	\$ 599,581.76	\$ 134,523.72	\$ 704,242.62	\$ 545,598.38	\$ 6,213,375.85	\$ -	\$ 6,213,375.85		\$ 6,213,375.85		
<b>IB. OTHER GOVERNMENT FUNDING</b>																					
(1) Other State Agency Funding			\$ 154,840.70					\$ 66,360.30					\$ 221,201.00	\$ -	\$ 221,201.00		\$ 221,201.00	\$ 644,685.00	\$ 865,886.00		
(2) Medicaid			\$ 350,636.30	\$ 927,975.00	\$ 60,108.00		\$ 13,327.00	\$ 134,438.00				\$ 710,065.00	\$ 2,196,549.30	\$ -	\$ 2,196,549.30	\$ 16,782.00	\$ 2,213,331.30	\$ 2,213,331.30	\$ 2,213,331.30		
(3) Local Government								\$ 100,900.00					\$ 100,900.00	\$ -	\$ 100,900.00		\$ 100,900.00		\$ 100,900.00		
(4) Federal Grants and Contracts													\$ -	\$ -	\$ -		\$ -	\$ 401,000.00	\$ 401,000.00		
(5) In-kind from local govt. only													\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
<b>TOTAL OTHER GOVERNMENT FUNDING =</b>			\$ 350,636.30	\$ 1,082,815.70	\$ 60,108.00	\$ -	\$ -	\$ -	\$ 13,327.00	\$ 301,698.30	\$ -	\$ -	\$ -	\$ 710,065.00	\$ 2,518,650.30	\$ -	\$ 2,518,650.30	\$ 16,782.00	\$ 2,535,432.30	\$ 1,045,685.00	\$ 3,581,117.30
<b>IC. ALL OTHER REVENUES</b>																					
(1) 1st & 2nd Party Payments							\$ 67,350.00						\$ 67,350.00	\$ -	\$ 67,350.00		\$ 67,350.00	\$ 276,254.00	\$ 343,604.00		
(2) 3rd Party Payments (except Medicare)													\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
(3) Medicare													\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
(4) Contributions and Donations													\$ -	\$ -	\$ -		\$ -	\$ 214,532.00	\$ 214,532.00		
(5) Other													\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
(6) In-kind													\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		
<b>TOTAL ALL OTHER REVENUES =</b>			\$ -	\$ -	\$ -	\$ -	\$ 67,350.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,350.00	\$ -	\$ 67,350.00	\$ -	\$ 67,350.00	\$ 490,786.00	\$ 558,136.00	
<b>TOTAL FUNDING =</b>			\$ 427,102.43	\$ 1,424,755.50	\$ 78,276.92	\$ 83,018.91	\$ 235,290.53	\$ 2,113,527.13	\$ 1,027,909.13	\$ 715,484.12	\$ 599,581.76	\$ 134,523.72	\$ 704,242.62	\$ 1,255,663.38	\$ 8,799,376.15	\$ -	\$ 8,799,376.15	\$ 16,782.00	\$ 8,816,158.15	\$ 1,536,471.00	\$ 10,352,629.15

SAMH COVERED SERVICES																					*except IC & ID	
EXPENSE CATEGORIES	Mental Health										Substance Abuse		Total for State SAMH-Funded Covered Services (B+C) D	Total for Non-State-Funded Covered Services E	Total for All Covered Services (D+E) F	Non-SAMH Covered Services G	Other Support Costs (optional) H	Administration I	Total Expenses (F+G+H+I) J			
	Case Management 02	Day Treatment 06	Medical Services 12	Outreach 15	Residential II 19	Incidental Expenses 28	R&B with Sup. II 37	MH Clubhouse 40	Forensic Multidisciplinary Team A0	Transition Voucher B2	Cost Reimbursement B3	FACT Team B5								Mental Health Total B	Substance Abuse Total C	
<b>IIA. PERSONNEL EXPENSES</b>																						
(1) Salaries	\$ 372,390.00	\$ 544,535.00	\$ 74,861.00	\$ 60,801.00	\$ 68,633.20	\$ 387,622.80	\$ 192,916.00	\$ 282,493.00		\$ 535,664.00	\$ 771,804.00	\$ 3,291,720.00	\$ -	\$ 3,291,720.00	\$ 43,722.30	\$ 3,335,442.30	\$ 285,474.00	\$ 407,547.00	\$ 428,586.00	\$ 4,457,049.30		
(2) Fringe Benefits	\$ 68,174.00	\$ 73,029.00	\$ 11,591.00	\$ 9,291.00	\$ 40,174.28	\$ 49,390.72	\$ 26,518.00	\$ 48,733.00		\$ 58,288.00	\$ 166,966.00	\$ 552,155.00	\$ -	\$ 552,155.00	\$ 8,189.94	\$ 560,344.94	\$ 51,895.00	\$ 63,831.00	\$ 89,956.00	\$ 766,026.94		
<b>TOTAL PERSONNEL EXPENSES =</b>	\$ 440,564.00	\$ 617,564.00	\$ 86,452.00	\$ 70,092.00	\$ 108,807.48	\$ -	\$ 437,013.52	\$ 219,434.00	\$ 331,226.00	\$ -	\$ 593,952.00	\$ 938,770.00	\$ 3,843,875.00	\$ -	\$ 3,843,875.00	\$ 51,912.24	\$ 3,895,787.24	\$ 337,369.00	\$ 471,378.00	\$ 518,542.00	\$ 5,223,076.24	
<b>IIIB. OTHER EXPENSES</b>																						
(1) Building Occupancy	\$ 76,716.00	\$ 139,956.00	\$ 5,921.00	\$ 5,921.00	\$ 22,569.96	\$ 138,644.04	\$ 209,802.00	\$ 11,457.00		\$ 28,126.00	\$ 24,263.00	\$ 663,376.00	\$ -	\$ 663,376.00	\$ 11,842.43	\$ 675,218.43	\$ 358,048.00	\$ 233,225.00	\$ 41,512.00	\$ 1,308,003.43		
(2) Professional Services		\$ 13,876.00				\$ 19,533.00		\$ 72,336.00				\$ 105,745.00	\$ -	\$ 105,745.00		\$ 105,745.00		\$ 52,525.00		\$ 158,270.00		
(3) Travel	\$ 4,483.00	\$ 389.00						\$ 2,168.00	\$ 3,778.00			\$ 30,209.00	\$ -	\$ 30,209.00		\$ 30,209.00	\$ 3,278.00	\$ 103,738.00	\$ 21,063.00	\$ 158,288.00		
(4) Equipment	\$ 3,255.00	\$ 5,142.00	\$ 542.00		\$ 478.80	\$ 2,941.20	\$ 4,307.00	\$ 1,898.00				\$ 18,564.00	\$ -	\$ 18,564.00	\$ 542.00	\$ 19,106.00	\$ 7,189.00	\$ 13,553.00		\$ 39,848.00		
(5) Food Services		\$ 202,938.00			\$ 6,435.38	\$ 39,532.00	\$ 40,860.00					\$ 289,765.38	\$ -	\$ 289,765.38		\$ 289,765.38	\$ 1,792.00			\$ 291,557.38		
(6) Medical and Pharmacy												\$ -	\$ -	\$ -		\$ -				\$ -		
(7) Subcontracted Services												\$ -	\$ -	\$ -		\$ -				\$ -		
(8) Insurance	\$ 41,098.00	\$ 37,505.00	\$ 10,064.00		\$ 11,814.04	\$ 72,571.96	\$ 23,441.00	\$ 9,376.00		\$ 19,776.00	\$ 23,441.00	\$ 249,087.00	\$ -	\$ 249,087.00	\$ 4,064.31	\$ 253,151.31	\$ 23,440.00	\$ 27,912.00	\$ 44,490.00	\$ 348,993.31		
(9) Interest Paid	\$ 10,493.00	\$ 59,822.00	\$ 1,500.00	\$ 1,512.00		\$ 16,565.00						\$ 109,469.00	\$ -	\$ 109,469.00		\$ 109,469.00	\$ 32,024.00	\$ 10,856.00	\$ 21,211.00	\$ 173,560.00		
(10) Operating Supplies & Expenses	\$ 13,901.00	\$ 19,323.00			\$ 19,585.00	\$ 2,113,527.13	\$ 27,085.00	\$ 18,544.00	\$ 134,523.72	\$ 30,175.00	\$ 11,487.00	\$ 2,410,255.85	\$ -	\$ 2,410,255.85	\$ 2,060.66	\$ 2,412,316.51	\$ 143,460.00	\$ 141,051.00	\$ 122,649.00	\$ 2,819,476.51		
(11) Other Bad Debt												\$ -	\$ -	\$ -		\$ -				\$ -		
(12) Donated Items												\$ -	\$ -	\$ -		\$ -				\$ -		
<b>TOTAL OTHER EXPENSES =</b>	\$ 149,946.00	\$ 465,075.00	\$ 18,027.00	\$ 7,433.00	\$ 74,759.18	\$ 2,113,527.13	\$ 300,307.20	\$ 319,248.00	\$ 117,389.00	\$ 134,523.72	\$ 83,766.00	\$ 92,470.00	\$ 3,876,471.23	\$ -	\$ 3,876,471.23	\$ 18,509.40	\$ 3,894,980.63	\$ 562,042.00	\$ 523,971.00	\$ 317,003.00	\$ 5,297,996.63	
<b>TOT. PERSONNEL &amp; OTH. EXP. =</b>	\$ 590,510.00	\$ 1,082,639.00	\$ 104,479.00	\$ 77,525.00	\$ 183,566.66	\$ 2,113,527.13	\$ 737,320.72	\$ 538,682.00	\$ 448,615.00	\$ 134,523.72	\$ 677,718.00	\$ 1,031,240.00	\$ 7,720,346.23	\$ -	\$ 7,720,346.23	\$ 70,421.64	\$ 7,790,767.87	\$ 899,411.00	\$ 995,349.00	\$ 835,545.00	\$ 10,521,072.87	
<b>IIIC. DISTRIBUTED INDIRECT COSTS</b>																						
(a) Other Support Costs (Optional)	\$ 118,102.00	\$ 201,527.80	\$ 20,895.80	\$ 11,628.75	\$ 36,713.33	\$ 147,464.14	\$ 53,868.20	\$ 98,695.30		\$ 115,212.06	\$ 175,310.80	\$ 979,418.19	\$ -	\$ 979,418.19	\$ 7,042.16	\$ 986,460.35	\$ 7,290.25	\$ (995,349.00)		\$ (1,598.40)		
(b) Administration	\$ 80,014.11	\$ 146,697.58	\$ 14,156.90	\$ 10,504.64	\$ 24,873.28	\$ 99,906.96	\$ 72,991.41	\$ 60,787.33		\$ 91,830.79	\$ 139,733.02	\$ 741,496.02	\$ -	\$ 741,496.02	\$ 9,542.13	\$ 751,038.16	\$ 83,423.93	\$ (835,545.00)		\$ (1,082.91)		
<b>TOT. DISTR'D INDIRECT COSTS =</b>	\$ 198,116.11	\$ 348,225.38	\$ 35,052.70	\$ 22,133.39	\$ 61,586.61	\$ -	\$ 247,371.10	\$ 126,859.61	\$ 159,482.63	\$ -	\$ 207,042.85	\$ 315,043.82	\$ 1,720,914.21	\$ -	\$ 1,720,914.21	\$ 16,584.30	\$ 1,737,498.51	\$ 90,714.18	\$ -	\$ -		
<b>TOTAL ACTUAL OPER. EXPENSES =</b>	\$ 788,626.11	\$ 1,430,864.38	\$ 139,531.70	\$ 99,658.39	\$ 245,153.27	\$ 2,113,527.13	\$ 984,691.82	\$ 665,541.61	\$ 608,097.63	\$ 134,523.72	\$ 884,760.85	\$ 1,346,283.82	\$ 9,441,260.44	\$ -	\$ 9,441,260.44	\$ 87,005.94	\$ 9,528,266.38	\$ 990,125.18	\$ 0.00	\$ 0.00	\$ 10,518,391.56	
<b>IIID. UNALLOWABLE COSTS</b>																						
													\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOT. ALLOWABLE OPER. EXP. =</b>	\$ 788,626.11	\$ 1,430,864.38	\$ 139,531.70	\$ 99,658.39	\$ 245,153.27	\$ 2,113,527.13	\$ 984,691.82	\$ 665,541.61	\$ 608,097.63	\$ 134,523.72	\$ 884,760.85	\$ 1,346,283.82	\$ 9,441,260.44	\$ -	\$ 9,441,260.44	\$ 87,005.94	\$ 9,528,266.38	\$ 990,125.18	\$ -	\$ -	\$ 10,518,391.56	
<b>IIIE. CAPITAL EXPENDITURES</b>																						
													\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	



Provider Name: Fellowship House  
 Audit Period: 7/1/2024 - 6/30/2025

**AUDIT SCHEDULE  
 ACTUAL EXPENSES AND REVENUES SCHEDULE**



STATE-FUNDED											
FUNDING SOURCES & REVENUES	Mental Health					Substance Abuse	Total for State SAMH-Funded Covered Services or Projects (B+C)	Total for Non-State-Funded Covered Services or Projects	Total for All Covered Services or Projects (D+E)	Non-SAMH Covered Services or Projects	Total Funding (F+G)
	Incidental Expenses	Care Coordination	Local Diversion Forensic Project	Other Bundled Projects	Mental Health Total	Substance Abuse Total					
	28	A4	A8	C0	B	C	D	E	F	G	H
<b>IA. STATE SAMH FUNDING</b>											
<b>Current Year Funding</b>											
Expenditure Report OCA#	Provider Subcontract #	Funding Source: F-Federal S-State F/S-Federal and State									
MH009	34387-17	F/S	\$ 509,996.54		\$ 399,886.74	\$ 279,922.50	\$ 1,189,805.78	\$ -	\$ 1,189,805.78		\$ 1,189,805.78
MH072	34387-17	S			\$ 451,412.99		\$ 451,412.99	\$ -	\$ 451,412.99		\$ 451,412.99
MHARP	34387-17	F		\$ 150,000.00			\$ 150,000.00	\$ -	\$ 150,000.00		\$ 150,000.00
MHMDT	34387-17	S	\$ 191,691.00			\$ 743,485.00	\$ 935,176.00	\$ -	\$ 935,176.00		\$ 935,176.00
<b>Total Current Year Funding</b>			<b>\$ 701,687.54</b>	<b>\$ 150,000.00</b>	<b>\$ 851,299.73</b>	<b>\$ 1,023,407.50</b>	<b>\$ 2,726,394.77</b>	<b>\$ -</b>	<b>\$ 2,726,394.77</b>		<b>\$ 2,726,394.77</b>
<b>Carry Forward Funding</b>											
Expenditure Report OCA#	Provider Subcontract #	Funding Source: F-Federal S-State F/S-Federal and State									
MH009	34387-17	S	\$ 369,188.00				\$ 369,188.00	\$ -	\$ 369,188.00		\$ 369,188.00
<b>Total Carry Forward Funding</b>			<b>\$ 369,188.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 369,188.00</b>	<b>\$ -</b>	<b>\$ 369,188.00</b>		<b>\$ 369,188.00</b>
<b>TOTAL STATE SAMH FUNDING =</b>			<b>\$ 1,070,875.54</b>	<b>\$ 150,000.00</b>	<b>\$ 851,299.73</b>	<b>\$ 1,023,407.50</b>	<b>\$ 3,095,582.77</b>	<b>\$ -</b>	<b>\$ 3,095,582.77</b>		<b>\$ 3,095,582.77</b>
<b>IB. OTHER GOVERNMENT FUNDING</b>											
(1) Other State Agency Funding							\$ -	\$ -	\$ -		\$ -
(2) Medicaid							\$ -	\$ -	\$ -		\$ -
(3) Local Government							\$ -	\$ -	\$ -		\$ -
(4) Federal Grants and Contracts							\$ -	\$ -	\$ -		\$ -
(5) In-kind from local govt. only							\$ -	\$ -	\$ -		\$ -
<b>TOTAL OTHER GOVERNMENT FUNDING =</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>
<b>IC. ALL OTHER REVENUES</b>											
(1) 1st & 2nd Party Payments							\$ -	\$ -	\$ -		\$ -
(2) 3rd Party Payments (except Medicare)							\$ -	\$ -	\$ -		\$ -
(3) Medicare							\$ -	\$ -	\$ -		\$ -
(4) Contributions and Donations							\$ -	\$ -	\$ -		\$ -
(5) Other							\$ -	\$ -	\$ -		\$ -
(6) In-kind							\$ -	\$ -	\$ -		\$ -
<b>TOTAL ALL OTHER REVENUES =</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>
<b>TOTAL FUNDING =</b>			<b>\$ 1,070,875.54</b>	<b>\$ 150,000.00</b>	<b>\$ 851,299.73</b>	<b>\$ 1,023,407.50</b>	<b>\$ 3,095,582.77</b>	<b>\$ -</b>	<b>\$ 3,095,582.77</b>		<b>\$ 3,095,582.77</b>

SAMH COVERED SERVICES													*except IC & ID	
EXPENSE CATEGORIES A	Mental Health					Substance Abuse		Total for State SAMH-Funded Covered Services (B+C) D	Total for Non-State-Funded Covered Services E	Total for All Covered Services (D+E) F	Non-SAMH Covered Services G	Other Support Costs (optional) H	Administration I	Total Expenses (F+G+H+I+J) J
	Incidental Expenses 28	Care Coordination A4	Local Diversion Forensic Project A8	Other Bundled Projects C0	Mental Health Total B	Substance Abuse Total C								
<b>III.A. PERSONNEL EXPENSES</b>														
(1) Salaries	\$ 83,199.00	\$ 710,642.06	\$ 662,245.00	\$ 1,456,086.06	\$ -	\$ 1,456,086.06		\$ 1,456,086.06		\$ 200,278.00	\$ 145,015.00	\$ 1,801,379.06		
(2) Fringe Benefits	\$ 9,099.00	\$ 106,360.00	\$ 90,713.00	\$ 206,172.00	\$ -	\$ 206,172.00		\$ 206,172.00		\$ 41,593.00	\$ 45,975.00	\$ 293,740.00		
<b>TOTAL PERSONNEL EXPENSES =</b>	\$ -	\$ 92,298.00	\$ 817,002.06	\$ 752,958.00	\$ 1,662,258.06	\$ -	\$ 1,662,258.06	\$ -	\$ 1,662,258.06	\$ -	\$ 241,871.00	\$ 190,990.00	\$ 2,095,119.06	
<b>III.B. OTHER EXPENSES</b>														
(1) Building Occupancy	\$ 3,464.00	\$ 25,972.00	\$ 102,487.00	\$ 131,923.00	\$ -	\$ 131,923.00		\$ 131,923.00		\$ 73,294.00	\$ 15,354.00	\$ 220,571.00		
(2) Professional Services			\$ 33,280.00	\$ 33,280.00	\$ -	\$ 33,280.00		\$ 33,280.00		\$ 23,754.00		\$ 57,034.00		
(3) Travel	\$ 940.00	\$ 7,048.00	\$ 4,632.00	\$ 12,620.00	\$ -	\$ 12,620.00		\$ 12,620.00		\$ 15,694.00	\$ 3,953.00	\$ 32,267.00		
(4) Equipment	\$ 518.00	\$ 3,888.00	\$ 2,179.00	\$ 6,585.00	\$ -	\$ 6,585.00		\$ 6,585.00		\$ 25,417.00	\$ 5,072.00	\$ 37,074.00		
(5) Food Services				\$ -	\$ -	\$ -		\$ -				\$ -		
(6) Medical and Pharmacy				\$ -	\$ -	\$ -		\$ -				\$ -		
(7) Subcontracted Services				\$ -	\$ -	\$ -		\$ -				\$ -		
(8) Insurance	\$ 8,022.00	\$ 38,425.00	\$ 39,533.00	\$ 85,980.00	\$ -	\$ 85,980.00		\$ 85,980.00		\$ 27,721.00	\$ 16,455.00	\$ 130,156.00		
(9) Interest Paid				\$ -	\$ -	\$ -		\$ -		\$ 7,991.54		\$ 7,991.54		
(10) Operating Supplies & Expenses	\$ 1,070,875.54	\$ 2,730.00	\$ 20,466.00	\$ 10,069.00	\$ 1,104,140.54	\$ -	\$ 1,104,140.54	\$ 1,104,140.54		\$ 49,938.00	\$ 50,725.48	\$ 1,204,804.02		
(11) Other-Bad Debt				\$ -	\$ -	\$ -		\$ -				\$ -		
(12) Donated Items				\$ -	\$ -	\$ -		\$ -				\$ -		
<b>TOTAL OTHER EXPENSES =</b>	\$ 1,070,875.54	\$ 15,674.00	\$ 95,799.00	\$ 192,180.00	\$ 1,374,528.54	\$ -	\$ 1,374,528.54	\$ -	\$ 1,374,528.54	\$ -	\$ 223,809.54	\$ 91,559.48	\$ 1,689,897.56	
<b>TOT. PERSONNEL &amp; OTH. EXP. =</b>	\$ 1,070,875.54	\$ 107,972.00	\$ 912,801.06	\$ 945,138.00	\$ 3,036,786.60	\$ -	\$ 3,036,786.60	\$ -	\$ 3,036,786.60	\$ -	\$ 465,680.54	\$ 282,549.48	\$ 3,785,016.62	
<b>III.C. DISTRIBUTED INDIRECT COSTS</b>														
(a) Other Support Costs (Optional)	\$ 38,354.56	\$ 209,944.24	\$ 217,381.74	\$ 465,680.54	\$ -	\$ 465,680.54		\$ 465,680.54		\$ (465,680.54)		\$ 0.00		
(b) Administration	\$ 16,411.74	\$ 130,604.95	\$ 135,532.79	\$ 282,549.48	\$ -	\$ 282,549.48		\$ 282,549.48			\$ (282,549.48)	\$ 0.00		
<b>TOT. DISTR'D INDIRECT COSTS =</b>	\$ -	\$ 54,766.30	\$ 340,549.19	\$ 352,914.53	\$ 748,230.03	\$ -	\$ 748,230.03	\$ -	\$ 748,230.03	\$ -	XXXXXXXXXX	XXXXXXXXXX		
<b>TOTAL ACTUAL OPER. EXPENSES =</b>	\$ 1,070,875.54	\$ 162,738.30	\$ 1,253,350.25	\$ 1,298,052.53	\$ 3,785,016.63	\$ -	\$ 3,785,016.63	\$ -	\$ 3,785,016.63	\$ -	\$ 0.00	\$ 0.00	\$ 3,803,710.00	
<b>III.D. UNALLOWABLE COSTS</b>														
				\$ -	\$ -	\$ -		\$ -			XXXXXXXXXX	XXXXXXXXXX	\$ -	
<b>TOT. ALLOWABLE OPER. EXP. =</b>	\$ 1,070,875.54	\$ 162,738.30	\$ 1,253,350.25	\$ 1,298,052.53	\$ 3,785,016.63	\$ -	\$ 3,785,016.63	\$ -	\$ 3,785,016.63	\$ -	XXXXXXXXXX	XXXXXXXXXX	\$ 3,803,710.00	
<b>III.E. CAPITAL EXPENDITURES</b>														
				\$ -	\$ -	\$ -		\$ -					\$ -	



**PSYCHO-SOCIAL REHABILITATION CENTER, INC.  
D/B/A FELLOWSHIP HOUSE  
RELATED PARTY TRANSACTION ADJUSTMENTS  
SCHEDULE OF BED DAY AVAILABILITY  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOT APPLICABLE**

**PSYCHO-SOCIAL REHABILITATION CENTER, INC**  
**D/B/A FELLOWSHIP HOUSE**  
**NOTE TO THE SCHEDULES OF STATE EARNINGS, COST CENTER ACTUAL**  
**EXPENSES AND REVENUE AND BED DAY AVAILABILITY PAYMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**General**

The Schedules of State Earnings, Cost Center Actual Expenses and Revenues and Bed-day Availability payments were prepared in accordance with the requirements included in the State Contracts.



**Thomas & Company, CPA, PA**  
Certified Public Accountants and Business Consultants

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

To the Board of Directors of  
Psycho-Social Rehabilitation Center, Inc. d/b/a Fellowship House  
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of Psycho-Social Rehabilitation Center, Inc. d/b/a Fellowship House (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued the report thereon dated November 18, 2025.

**Internal Control over Financial Reporting**

In planning and performing our audit of the combined financial statements, we considered Psycho-Social Rehabilitation Center, Inc. d/b/a Fellowship House's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

A handwritten signature in blue ink that reads "Thomas S. Coney CPA PA".

Thomas & Company, CPA, PA  
Cooper City, Florida  
November 18, 2025



**Thomas & Company, CPA, PA**  
Certified Public Accountants and Business Consultants

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.650,  
RULES OF THE AUDITOR GENERAL**

To the Board of Directors  
Psycho-Social Rehabilitation Center, Inc. d/b/a Fellowship House  
Miami, Florida

**Report on Compliance for Each Major Federal Program and State Project**

**Opinion on Each Major Federal Program and State Project**

We have audited Psycho-Social Rehabilitation Center, Inc. d/b/a Fellowship House’s (The “Organization”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the Department of Financial Services’ *State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization’s major federal programs and state projects for the year ended June 30, 2025. The Organization’s major federal programs and state projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2025.

**Basis for Opinion on Each Major Federal Program and State Project**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the Organization to meet our other ethical responsibilities, I accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Organization’s compliance with the compliance requirements referred to above.

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## **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable the Organization's federal programs and state projects.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirement referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance and Chapter 10.650, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Report on Internal Control over Compliance

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program and state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program and state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Thomas & Company, CPA, PA  
Cooper City, Florida  
November 18, 2025

**PSYCHO-SOCIAL REHABILITATION CENTER, INC  
D/B/A FELLOWSHIP HOUSE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**SUMMARY OF AUDITORS' RESULTS**

**Section I-Summary of Auditors Results**

**Financial Statements**

**Type of Auditors Report Issued:**

**Unmodified**

Internal Control over Financial Reporting:

- Significant deficiency(es) identified ? \_\_\_ Yes   X   None
- Material weakness identified? \_\_\_ Yes   X   No
- Non Compliance material to financial statement noted? \_\_\_ Yes   X   No

**Federal Awards and State Projects**

Internal Control over Major Federal Programs or State project:

- Significant deficiency(es) identified? \_\_\_ Yes   X   None
- Material weakness identified? \_\_\_ Yes   X   No

**Type of Auditors Report issued on Compliance  
for major Program or State Project:**

**Unmodified**

Any audit findings disclosed that are required to be reported in  
Accordance with 2 CFR section 200.516(a) or Chapter 10.656  
Rules of the Auditor General?

\_\_\_ Yes   X   No

**Identification of major Programs and state Projects:**

<b>Federal</b>	
<b>AL /CFDA</b>	<b>Name of Federal Program</b>
93.958	<b>Department of Health and Human Services</b> Block Grants for Community Mental Health Services
<b>State</b>	
<b>CSFA</b>	<b>Name of State Project</b>
60.114	Forensic Services

Dollar threshold used to distinguish  
between Type A and Type B programs:

\$ 750,000

Auditee qualified as low risk auditee?

  X   Yes        No

**PSYCHO-SOCIAL REHABILITATION CENTER, INC  
D/B/A FELLOWSHIP HOUSE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Section II-Financial Statement findings**

The audit disclosed no matters that are reportable.

**Section III – Major Federal Awards Programs/State Projects – Findings and questioned costs**

The audit disclosed no matters that are reportable.

**Section IV – Major Federal Awards Programs/State Projects – Summary of prior Audit Findings**

No prior audit findings were reported.

**Section V - Management letter**

No Management letter issued.