



Self-Initiated Living Options, Inc.
education - advocacy - empowerment

*SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION*

REPORT ON AUDIT OF FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

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SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

REPORT ON AUDIT OF FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Self-Initiated Living Options, Inc.
d/b/a Suffolk Independent Living Organization
Medford, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Self-Initiated Living Options, Inc. d/b/a Suffolk Independent Living Organization ("SILO"), which comprise the statements of financial position as of September 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of SILO as of September 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") 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 Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of SILO and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 these 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SILO's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audits 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 auditors' 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 judgement 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 SILO'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 financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about SILO'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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2025 on our consideration of SILO'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 SILO'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 SILO's internal control over financial reporting and compliance.

Corin & Associates LLP

Bohemia, New York

June 4, 2025

SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30,

2024

2023

ASSETS

Current Assets:

Cash and cash equivalents.....	\$ -	\$ 25,495
Government grants receivable	2,192,669	1,806,791
Service fee income receivable.....	6,885	17,665
Prepaid expenses.....	25,425	18,214

TOTAL CURRENT ASSETS	2,224,979	1,868,165
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Security deposit.....	45,039	45,039
Operating lease right-of-use asset, net of accumulated amortization.....	3,454,446	3,730,307
Property and equipment, net of accumulated depreciation.....	65,539	69,554

TOTAL ASSETS	<u>\$ 5,790,003</u>	<u>\$ 5,713,065</u>
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LIABILITIES AND NET (DEFICIT)/ASSETS

Current Liabilities:

Line of credit payable.....	\$ 1,000,000	\$ 750,000
Overdraft liability.....	75,116	-
Current portion of Paycheck Protection Program loan payable.....	73,070	124,242
Accounts payable and accrued expenses.....	1,026,258	613,217
Current portion of operating lease liability, net of present value discount.....	249,658	236,355
Deferred income	211,795	-

TOTAL CURRENT LIABILITIES	2,635,897	1,723,814
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Paycheck Protection Program loan payable, net of current portion.....	-	72,859
Operating lease liability, net of current portion and present value discount.....	3,433,041	3,682,699

TOTAL LIABILITIES	6,068,938	5,479,372
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Net (Deficit)/Assets:

Without donor restrictions.....	(278,935)	233,693
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TOTAL NET (DEFICIT)/ASSETS	<u>(278,935)</u>	<u>233,693</u>
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TOTAL LIABILITIES AND NET (DEFICIT)/ASSETS	<u>\$ 5,790,003</u>	<u>\$ 5,713,065</u>
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The accompanying notes are an integral part of these financial statements.

SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED SEPTEMBER 30,

2024

2023

SUPPORT AND REVENUE:

Government grants.....	\$	4,581,259	\$	4,478,893
Contributions.....		20,016		23,911
Service fee income		114,771		125,863
Interest income		7,537		760
Other revenue		41,007		12,255

TOTAL SUPPORT AND REVENUE		4,764,590		4,641,682
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EXPENSES:

Program services.....		4,687,728		4,086,615
Management and general.....		589,490		595,254

TOTAL EXPENSES		5,277,218		4,681,869
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CHANGE IN NET ASSETS		(512,628)		(40,187)
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Net assets, beginning of the year.....		233,693		273,880
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Net (deficit)/assets, end of the year.....	\$	(278,935)	\$	233,693
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The accompanying notes are an integral part of these financial statements.

SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Program Services	Management and General	Total
Salaries.....	\$ 2,796,469	\$ 159,048	\$ 2,955,517
Payroll taxes and employee benefits.....	965,538	54,916	1,020,454
Professional fees.....	307,315	136,260	443,575
Occupancy.....	305,201	101,734	406,935
Office supplies and equipment	81,265	8,671	89,936
Postage	7,811	2,605	10,416
Program supplies and equipment	29,805	-	29,805
Repairs and maintenance	6,269	2,089	8,358
Travel	55,818	3,175	58,993
Advertising	2,903	5,237	8,140
Telephone	35,844	11,948	47,792
Insurance	49,233	16,411	65,644
Interest	1,362	73,098	74,460
Dues and subscriptions.....	39,884	13,294	53,178
Other expenses.....	-	-	-
Depreciation.....	3,011	1,004	4,015
TOTAL EXPENSES	\$ 4,687,728	\$ 589,490	\$ 5,277,218

SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Program Services	Management and General	Total
Salaries.....	\$ 2,344,157	\$ 218,980	\$ 2,563,137
Payroll taxes and employee benefits.....	901,781	84,240	986,021
Professional fees.....	240,797	116,872	357,669
Occupancy.....	298,375	99,458	397,833
Office supplies and equipment	104,574	9,849	114,423
Postage	6,805	2,268	9,073
Program supplies and equipment	23,878	-	23,878
Repairs and maintenance	6,397	2,132	8,529
Travel	62,664	5,854	68,518
Advertising	9,712	5,424	15,136
Telephone	31,592	10,531	42,123
Insurance	37,317	12,438	49,755
Interest	-	21,019	21,019
Dues and subscriptions.....	15,461	5,154	20,615
Other expenses.....	94	31	125
Depreciation.....	3,011	1,004	4,015
TOTAL EXPENSES	\$ 4,086,615	\$ 595,254	\$ 4,681,869

SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30,

2024

2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets..... \$ (512,628) \$ (40,187)

Adjustments to reconcile change in net assets to

net cash used in operating activities:

Depreciation..... 4,015 4,015

Amortization of right-of-use asset..... 275,861 272,035

Changes in operating assets and liabilities:

Government grants receivable..... (385,878) (361,976)

Service fee income receivable 10,780 (14,253)

Prepaid expenses (7,211) (11,018)

Overdraft liability..... 75,116 -

Accounts payable and accrued expenses..... 413,041 87,959

Operating lease liability..... (236,355) (193,149)

Deferred income..... 211,795 (226,005)

NET CASH USED IN OPERATING ACTIVITIES (151,464) (482,579)

CASH FLOWS USED IN INVESTING ACTIVITIES:

Purchases of property and equipment..... - (73,569)

CASH FLOWS FROM FINANCING ACTIVITIES:

Repayments of Paycheck Protection Program loan..... (124,031) (112,542)

Proceeds from line of credit payable..... 1,650,000 2,275,000

Repayments of line of credit payable..... (1,400,000) (1,625,000)

NET CASH PROVIDED BY FINANCING ACTIVITIES 125,969 537,458

NET CHANGE IN CASH AND CASH EQUIVALENTS (25,495) (18,690)

Cash and cash equivalents, beginning of year..... 25,495 44,185

Cash and cash equivalents, end of year..... \$ - \$ 25,495

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

**SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Self-Initiated Living Options, Inc. d/b/a Suffolk Independent Living Organization ("SILO") is presented to assist in understanding SILO's financial statements. The financial statements and notes are representations of SILO's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

Founded in January 1985, SILO serves as an advocate for consumer driven services that result in the removal of barriers that prevent individuals with disabilities from having the opportunities to choose living options that are self-directed and self-fulfilling. SILO's primary office is located on Long Island and serves disabled individuals throughout Long Island. SILO's primary source of support and revenue is government grants.

Income Tax Status

SILO is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and is publicly supported, as described in section 170(b)(1)(A)(vi). Donors may deduct contributions made to SILO within the requirements of the Internal Revenue Code.

SILO evaluated its activities for uncertain tax positions and has determined that there were no uncertain tax positions for 2024 and 2023.

SILO files an IRS Form 990 and respective state and local tax returns. These tax returns are subject to review and examination by federal, state, and local taxing authorities. SILO has determined that it has registered in all states where it is required to be registered.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

SILO is required to report information regarding its financial position and activities according to the following net asset classifications:

**SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of SILO.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by action of SILO and/or the passage of time. When a restriction expires, these net assets are reclassified annually to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other donor restrictions may be perpetual in nature, whereby donors may stipulate that the funds be maintained in perpetuity. SILO did not have any net assets with donor restrictions as of September 30, 2024 and 2023.

Recent Account Pronouncements

During the year ended September 30, 2023, SILO adopted Accounting Standards Codification (“ASC”) Topic 842, *Leases*, for its material long-term operating lease. Under this accounting pronouncement, SILO recognized a right-of-use asset and lease liability calculated based on the present value of the lease payments not yet paid, discounted using appropriate discount rates at the lease commencement date. The right-of-use asset is initially equal to the lease liability plus any initial direct costs and prepaid lease payments, less any lease incentives received. Under this approach, amortization of the right-of-use asset is charged to occupancy expense, which is recorded on the straight-line basis over the term of the lease, unless another systematic and rational basis is more representative of the time pattern in which use benefit is derived from the leased property, in which case that basis will be used. As a result of the adoption of ASC 842, SILO recognized a decrease to opening net assets of \$109,861 as of October 1, 2022, the adoption date.

During the year ended September 30, 2024, SILO adopted ASC 326, *Financial Instruments – Credit Losses*, for all assets held at amortized cost basis. Under this accounting approach, SILO is required to record an estimate of all expected future credit losses. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. There was no financial impact as a result of SILO adopting ASC 326.

Use of Estimates

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

SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions and Government Grants

Contributions are recognized when donors make promises to give to SILO that are, in substance, unconditional. Contributions are recorded as increases in net assets with donor restrictions or net assets without donor restrictions depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statements of activities as net assets released from restrictions. However, contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. Conditional contributions are accounted for as liabilities or are not recognized initially, until the barriers to entitlement are overcome, at which point contributions are recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions.

For all contributions received, SILO utilizes the guidance set forth by Accounting Standards Update ("ASU") 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (collectively, "ASC 958") to determine if contributions should be recognized as net assets with or without donor restrictions, or as liabilities until a specified condition is met by SILO. ASC 958 guidance assists entities in evaluating whether contributions made are subject to additional guidance, such as ASU 2014-09, *Revenue from Contracts with Customers*, or determining whether contributions are conditional.

SILO accounts for its government grant revenue as conditional contributions and recognizes government grants when barriers to entitlement are met, as reimbursable expenditures under qualified programs are incurred. SILO records conditional grant awards as deferred income until related expenditures are made, at which time they are recognized as grants. A receivable is recognized to the extent revenue earned exceeds cash advances. Grant awards are typically expended within a one-year cycle.

Service Fee Income

SILO follows the revenue recognition standards set forth by ASU 2014-09, *Revenue from Contracts with Customers* ("ASC 606"). Service fee income falls within the scope of ASC 606. In conformity with ASC 606, SILO recognizes service fee income at approved rates at points in time, as performance obligations are satisfied under contracts by transferring services to individuals. Amounts collected in advance are accounted for as deferred revenue until performance obligations are satisfied, at which time they are recognized as revenue.

**SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Receivables

Government grants and service fee income receivables are stated at the amounts management expects to collect from outstanding balances. SILO considers receivables past due or delinquent when payments have not been received in a timely manner, and receivables are written off when management deems the possibility of collecting amounts due as completely unlikely. SILO closely monitors outstanding balances for all receivables and adheres to a standard set of protocols for collection activities to be undertaken at certain times based upon delinquency status. SILO considers all receivables to be fully collectible; accordingly, no allowance for uncollectible accounts was recorded as of September 30, 2024 and 2023.

Cash and Cash Equivalents

SILO considers all highly-liquid financial instruments with original maturities of three months or less from the dates of purchase to be cash equivalents.

Property and Equipment

Property and equipment is recorded at cost, if purchased, or at fair market value at the date of the gift, if donated. SILO capitalizes all purchases of property and equipment in excess of \$5,000. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation and amortization expense is computed using the straight-line method over the estimated useful life of the depreciable assets (seven years for leasehold improvements).

Accumulated Vacation/Sick Time

SILO provides employees with paid time off that includes vacation and sick time. Accumulated time off may be carried forward from one fiscal year to the next for up to six months into the following year. Accrued vacation and sick time totaled \$199,110 and \$170,183 as of September 30, 2024 and 2023, respectively, and has been included in accounts payable and accrued expenses in the statements of financial position.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated by management among the program and management and general categories. Most costs incurred by SILO are directly assignable to these categories. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of SILO. Those costs that cannot be directly assigned are allocated based upon reasonable allocation methodologies, the most significant of which are:

**SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Salaries – Time and effort
- Payroll taxes and employee benefits – Salary allocations
- Professional fees – Respective program and management and general categories benefited
- Occupancy – Based on respective use of facilities
- Office supplies and equipment – Respective program and management and general categories benefited

Events Occurring After the Report Date

SILO has evaluated events and transactions that occurred between October 1, 2024 and June 4, 2025, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 2 – CONCENTRATION OF RISK

For the year ended September 30, 2024, 96% of SILO's government grants and 98% of receivables were due from four funders as follows:

	% of Total Revenue	% of Total Receivables
New York State Department of Health	30%	32%
New York Association for Independent Living.....	31%	36%
New York State Education Department.....	16%	10%
New York State Office for the Aging.....	19%	20%

For the year ended September 30, 2023, 96% of SILO's government grants and receivables were due from four funders as follows:

	% of Total Revenue	% of Total Receivables
New York State Department of Health	32%	31%
New York Association for Independent Living.....	29%	33%
New York State Education Department.....	16%	9%
New York State Office for the Aging.....	19%	23%

Future funding is not guaranteed, and any future reductions could significantly affect long-term operations.

SILO maintains cash with financial institutions with what it believes to be quality financial institutions which are insured by the Federal Deposit Insurance Corporation. SILO has not incurred any losses in such accounts to date.

SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 – OPERATING LEASES

In October 2019, SILO entered into a non-cancellable agreement to lease office space in Medford, New York. Effective October 2021, the lease was amended and restated to include additional office space and extend the lease term through December 2035, with an option to renew for an additional five years. The lease was further amended during December 2022 and July 2023 to include additional office space.

Operating lease costs for this facility were \$341,549 and \$341,546 for the years ended September 30, 2024 and 2023, respectively, and are included in occupancy expense in the statements of functional expenses. Operating cash flows from the operating lease totaled \$302,040 and \$262,660 for the years ended September 30, 2024 and 2023, respectively.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liability for the years ending September 30,:

2025	\$	311,124
2026		320,400
2027		330,048
2028		339,888
2029		350,112
2030 and thereafter		2,419,069
Total future minimum payments		4,070,641
Less: present value discount		(387,942)
Present value	\$	<u>3,682,699</u>

The remaining lease term (in months) and discount rate for the above mentioned lease were as follows as of September 30, 2024:

Remaining lease term.....	135
Discount rate	1.74%

NOTE 4 – PAYCHECK PROTECTION PROGRAM LOAN

During the year ended September 30, 2020, SILO obtained a loan from the United States Small Business Administration (“SBA”) through the Paycheck Protection Program (“PPP”). The loan bears interest at an annual rate of 1%, matures in April 2025, and requires regular payments of principal and interest of \$10,470 commencing February 2022.

Future minimum payments pursuant to this loan are \$73,070, to be repaid during the year ending September 30, 2025.

SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 5 - LINE OF CREDIT

During the year ended September 30, 2021, SILO entered into a line of credit agreement with a financial institution with a maximum borrowing amount of \$675,000. This line originally matured March 1, 2022, but was extended through March 1, 2023. On February 1, 2023, the line of credit agreement was modified to increase the maximum borrowing amount to \$800,000 and extend the maturity date to February 1, 2024. On February 1, 2024, the line of credit agreement was modified to increase the maximum borrowing amount to \$1,000,000 and extend the maturity date to February 1, 2025. The maturity date was extended again to May 1, 2025, and then January 1, 2026. The line bears interest at a variable rate of 0.5% above the Prime Rate as published by the Wall Street Journal, with a floor of 4.5% (8.50% at September 30, 2024). The line of credit is secured by substantially all of SILO's assets.

NOTE 6 - CONTINGENCIES

Government grants from federal, state, and local governmental entities are subject to audit by the grantor. Such audits may result in disallowances of costs submitted for reimbursement. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying financial statements. Accordingly, no reserve for disallowances has been accrued for in the accompanying financial statements.

In the normal course of business, legal actions occur. Based on advice of legal counsel, management does not believe any exposure to legal matters will have a material impact on the financial statements and accordingly, has not recorded liabilities within the accompanying financial statements.

NOTE 7 - RETIREMENT PLAN

SILO has a non-matching tax deferred annuity plan (the "Plan"). Employees are eligible to make pre-tax elective deferrals from their salary into the Plan at their time of hire. SILO did not make employer contributions into the plan during the years ended September 30, 2024 and 2023.

NOTE 8 - AVAILABILITY AND LIQUIDITY

The following represents SILO's financial assets at September 30,:

	2024	2023
Cash and cash equivalents.....	\$ -	\$ 25,495
Government grants receivable	2,192,669	1,806,791
Service fee income receivable.....	6,885	17,665
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,199,554</u>	<u>\$ 1,849,951</u>

**SELF-INITIATED LIVING OPTIONS, INC.
D/B/A SUFFOLK INDEPENDENT LIVING ORGANIZATION**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

NOTE 8 – AVAILABILITY AND LIQUIDITY(continued)

SILO's goal is generally to maintain financial assets to meet ninety days of operating expenses (approximately \$1,300,000). As of September 30, 2024, SILO had sufficient funds to meet over ninety days of operating expenses.