

Greenwich House, Inc. and Affiliate



Greenwich House

**Consolidated Financial Statements and
Supplementary Information
(Together with Independent Auditors' Report)**

Years Ended June 30, 2022 and 2021

GREENWICH HOUSE, INC. AND AFFILIATE

**CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
(Together with Independent Auditors' Report)**

YEARS ENDED JUNE 30, 2022 AND 2021

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INDEPENDENT AUDITORS' REPORT

To the Audit Committee and Board of Directors of
Greenwich House, Inc. and Affiliate

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Greenwich House, Inc. and Affiliate (the "Agency"), which comprise the consolidated statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Agency as of June 30, 2022, and the changes in their net assets and their 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Agency 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.

Report on 2021 Consolidated Financial Statements

The consolidated financial statements of the Agency as of and for the year ended June 30, 2021 were audited by another auditor whose report dated May 13, 2022 expressed an unmodified opinion on these consolidated statements.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.





Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated financial statements.

In performing an audit in accordance with GAAS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 the Agency'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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 consolidated financial statements as a whole. The consolidating supplementary information included on pages 20-21, for the year ended June 30, 2022, is presented for purposes of additional analysis rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



The consolidating supplementary information as of and for the year ended June 30, 2021 was subjected to the auditing procedures applied in the June 30, 2021 audit of the basic consolidated financial statements by another auditor, whose report on such information stated that it was fairly stated in all material respects in relation to the June 30, 2021 consolidated financial statements as a whole.

Mayer Hoffman McCann CPAs

New York, NY
January 11, 2023

GREENWICH HOUSE, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents (Notes 2E and 11)	\$ 6,573,048	\$ 5,226,854
Investments (Notes 2F, 2G and 4)	2,940,438	3,304,454
Accounts receivable - government, net (Note 2I)	4,950,786	5,041,520
Contributions receivable (Notes 2H and 13)	518,350	1,523,383
Prepaid expenses and other assets	405,368	283,449
Beneficial interest in remainder trust (Notes 8 and 12)	246,047	298,220
Property and equipment, net (Notes 2J and 5)	<u>2,935,966</u>	<u>2,889,873</u>
TOTAL ASSETS	<u>\$ 18,570,003</u>	<u>\$ 18,567,753</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 1,799,901	\$ 1,152,539
Accrued salaries and related liabilities	632,746	888,022
Deferred revenue (Note 2H)	4,197,783	3,257,216
Line of credit (Note 6)	752,645	750,050
Notes payable (Note 7)	492,500	-
Paycheck Protection Program loan payable (Note 7)	<u>-</u>	<u>2,189,317</u>
TOTAL LIABILITIES	<u>7,875,575</u>	<u>8,237,144</u>
COMMITMENTS AND CONTINGENCIES (Note 10)		
NET ASSETS (Note 2D)		
Without donor restrictions:		
Invested in property and equipment	2,935,966	2,889,873
Operations	<u>2,982,756</u>	<u>2,345,447</u>
Total without donor restrictions	<u>5,918,722</u>	<u>5,235,320</u>
With donor restrictions (Note 8)		
Time and purpose	3,064,445	3,384,028
Perpetual in nature	<u>1,711,261</u>	<u>1,711,261</u>
Total with donor restrictions	<u>4,775,706</u>	<u>5,095,289</u>
TOTAL NET ASSETS	<u>10,694,428</u>	<u>10,330,609</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 18,570,003</u>	<u>\$ 18,567,753</u>

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

GREENWICH HOUSE, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	For the Year Ended June 30, 2022			For the Year Ended June 30, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total 2022	Without Donor Restrictions	With Donor Restrictions	Total 2021
OPERATING REVENUE AND SUPPORT:						
Government grants (Note 2H)	\$ 4,427,386	\$ -	\$ 4,427,386	\$ 5,347,061	\$ -	\$ 5,347,061
Program tuition and fees (net of financial aid of \$367,203 and \$124,109, respectively) (Note 2H)	7,594,039	-	7,594,039	6,187,731	-	6,187,731
Medicaid and other insurance (Note 2H)	6,601,774	-	6,601,774	6,484,657	-	6,484,657
Contributions (Note 2H)	1,019,977	642,468	1,662,445	2,133,019	991,670	3,124,689
Special events (net of direct benefits to donor of \$39,364 and \$0, respectively)	626,231	-	626,231	-	-	-
In-kind contributions (Note 2K)	-	-	-	88,262	-	88,262
Rental income	393,458	-	393,458	115,578	-	115,578
Investment return appropriated for operations (Note 4)	11,068	-	11,068	1,424	-	1,424
Other income	311,410	-	311,410	206,151	-	206,151
Forgiveness of Paycheck Protection Program loan (Note 7)	2,189,317	-	2,189,317	-	-	-
Net assets released from restrictions (Notes 2D and 8)	834,086	(834,086)	-	559,144	(559,144)	-
TOTAL OPERATING REVENUE AND SUPPORT	24,008,746	(191,618)	23,817,128	21,123,027	432,526	21,555,553
OPERATING EXPENSES (Note 2L):						
Program services:						
Substance abuse services	7,040,342	-	7,040,342	6,385,633	-	6,385,633
Adult services	2,157,288	-	2,157,288	2,878,539	-	2,878,539
Mental Health services	1,484,738	-	1,484,738	1,408,474	-	1,408,474
Nursery School and other children's services	5,015,761	-	5,015,761	4,105,364	-	4,105,364
Music School	962,413	-	962,413	871,226	-	871,226
Pottery School	1,305,447	-	1,305,447	1,044,787	-	1,044,787
Total program services	17,965,989	-	17,965,989	16,694,023	-	16,694,023
Supporting services:						
Management and administration	4,892,158	-	4,892,158	4,042,017	-	4,042,017
Fundraising	414,616	-	414,616	745,571	-	745,571
Total supporting services	5,306,774	-	5,306,774	4,787,588	-	4,787,588
TOTAL OPERATING EXPENSES	23,272,763	-	23,272,763	21,481,611	-	21,481,611
CHANGE IN NET ASSETS FROM OPERATIONS	735,983	(191,618)	544,365	(358,584)	432,526	73,942
NONOPERATING ACTIVITIES (Note 2M)						
Investment return over (under) amount used for operations (Note 4)	(52,581)	(75,792)	(128,373)	215,015	234,237	449,252
Change in value of beneficial interest in remainder trust	-	(52,173)	(52,173)	-	125,498	125,498
CHANGE IN NET ASSETS	683,402	(319,583)	363,819	(143,569)	792,261	648,692
Net assets - beginning of year	5,235,320	5,095,289	10,330,609	5,378,889	4,303,028	9,681,917
NET ASSETS - END OF YEAR	\$ 5,918,722	\$ 4,775,706	\$ 10,694,428	\$ 5,235,320	\$ 5,095,289	\$ 10,330,609

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

GREENWICH HOUSE, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
(With Summarized Comparative Totals
for the Year Ended June 30, 2021)

	Program Services							Supporting Services					Total 2022	Total 2021
	Substance Abuse Services	Adult Services	Mental Health Services	Nursery School and Other Children's Services	Music School	Pottery School	Total Program Services	Management and Administration	Fundraising	Total Supporting Services				
Salaries	\$ 2,907,984	\$ 948,661	\$ 892,633	\$ 2,695,903	\$ 572,195	\$ 788,021	\$ 8,805,397	\$ 1,677,927	\$ 125,656	\$ 1,803,583	\$ 10,608,980	\$ 9,753,331		
Payroll taxes and benefits (Note 9)	1,122,837	221,622	225,200	798,158	116,956	152,445	2,637,218	586,835	23,151	609,986	3,247,204	2,864,534		
Total salaries and related costs	4,030,821	1,170,283	1,117,833	3,494,061	689,151	940,466	11,442,615	2,264,762	148,807	2,413,569	13,856,184	12,617,865		
Contracted services	1,145,152	183,618	267,239	579,952	77,560	24,906	2,278,427	1,005,368	179,982	1,185,350	3,463,777	1,575,867		
Emergency food program	-	-	-	-	-	-	-	-	-	-	-	1,262,547		
Equipment and computers (Note 10A)	254,058	54,102	52,712	61,315	16,121	26,339	464,647	139,514	29,967	169,481	634,128	655,029		
Occupancy (Note 10A)	1,223,163	338,921	10,147	93,866	63,955	115,585	1,845,637	278,110	14,781	292,891	2,138,528	2,162,478		
Repairs and maintenance	20,676	21,936	1,595	36,922	39,024	16,194	136,347	58,416	42	58,458	194,805	170,782		
Insurance	35,734	17,442	12,467	30,904	12,500	13,887	122,934	71,508	1,449	72,957	195,891	282,840		
Telephone	36,394	12,794	11,897	60,205	5,273	5,371	131,934	45,494	4,314	49,808	181,742	69,456		
Office supplies and postage	6,579	5,155	2,303	120,649	3,084	14,316	152,086	8,425	2,129	10,554	162,640	148,926		
Program and other supplies	236,084	343,100	1,146	55,689	6,848	97,063	739,930	30,979	18,000	48,979	788,909	418,311		
Communications and web expense	-	-	-	-	-	-	-	-	-	-	-	51,246		
Advertising	-	1,184	875	11,439	15,776	2,836	32,110	49,506	2,987	52,493	84,603	24,355		
Transportation	13,765	41	275	6,189	189	66	20,525	3,117	-	3,117	23,642	20,106		
Staff training	-	2,050	250	40,103	1,534	-	43,937	(545)	-	(545)	43,392	42,795		
Subscriptions, fees and dues	19,493	3,666	3,120	18,287	1,054	536	46,156	24,529	232	24,761	70,917	133,232		
Other (Note 6)	1,776	2,996	1,897	158,024	19,934	43,253	227,880	187,026	494	187,520	415,400	374,439		
Depreciation and amortization (Note 5)	16,647	-	982	248,156	10,410	4,629	280,824	134,344	-	134,344	415,168	396,636		
Contributed items and services (Note 2K)	-	-	-	-	-	-	-	-	-	-	-	88,262		
Special events expenses	-	-	-	-	-	-	-	-	50,796	50,796	50,796	-		
Bad debt (Note 2l)	-	-	-	-	-	-	-	591,605	-	591,605	591,605	986,439		
Less: Direct cost of special events reported net of revenue on the consolidating statements of activities	-	-	-	-	-	-	-	-	(39,364)	(39,364)	(39,364)	-		
TOTAL EXPENSES	\$ 7,040,342	\$ 2,157,288	\$ 1,484,738	\$ 5,015,761	\$ 962,413	\$ 1,305,447	\$ 17,965,989	\$ 4,892,158	\$ 414,616	\$ 5,306,774	\$ 23,272,763	\$ 21,481,611		

GREENWICH HOUSE, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	Program Services						Supporting Services				Total 2021
	Substance Abuse Services	Adult Services	Mental Health Services	Nursery School and Other Children's Services	Music School	Pottery School	Total Program Services	Management and Administration	Fundraising	Total Supporting Services	
Salaries	\$ 2,517,146	\$ 934,012	\$ 863,122	\$ 2,444,741	\$ 508,406	\$ 600,446	\$ 7,867,873	\$ 1,616,481	\$ 268,977	\$ 1,885,458	\$ 9,753,331
Payroll taxes and benefits (Note 9)	1,038,394	193,160	198,279	679,913	111,134	102,775	2,323,655	472,532	68,347	540,879	2,864,534
Total salaries and related costs	3,555,540	1,127,172	1,061,401	3,124,654	619,540	703,221	10,191,528	2,089,013	337,324	2,426,337	12,617,865
Contracted services	561,155	114,418	116,118	245,731	55,517	35,072	1,128,011	323,011	124,845	447,856	1,575,867
Emergency food program	-	1,262,547	-	-	-	-	1,262,547	-	-	-	1,262,547
Equipment and computers (Note 10A)	382,993	28,688	73,929	45,449	22,080	23,995	577,134	58,899	18,996	77,895	655,029
Occupancy (Note 10A)	1,357,457	260,521	91,533	112,886	58,574	105,068	1,986,039	155,515	20,924	176,439	2,162,478
Repairs and maintenance	22,423	22,058	2,410	7,413	26,950	37,798	119,052	51,592	138	51,730	170,782
Insurance	76,178	32,570	24,421	57,615	23,586	26,213	240,583	39,226	3,031	42,257	282,840
Telephone	36,469	6,836	5,006	933	-	5,280	54,524	14,329	603	14,932	69,456
Office supplies and postage	6,956	984	7,370	99,680	2,775	7,777	125,542	11,337	12,047	23,384	148,926
Program and other supplies	282,437	4,946	2,853	43,193	4,571	59,367	397,367	14,944	6,000	20,944	418,311
Communications and web expense	10,711	9,395	9,691	4,964	5,182	4,988	44,931	2,628	3,687	6,315	51,246
Advertising	758	-	2,425	2,859	8,881	1,657	16,580	6,278	1,497	7,775	24,355
Transportation	6,169	32	804	9,905	122	2,751	19,783	323	-	323	20,106
Staff training	350	75	243	35,452	1,017	-	37,137	5,258	400	5,658	42,795
Subscriptions, fees and dues	51,323	8,110	6,715	21,554	624	865	89,191	39,951	4,090	44,041	133,232
Other (Note 6)	849	187	112	82,741	21,532	20,471	125,892	124,820	123,727	248,547	374,439
Depreciation and amortization (Note 5)	33,865	-	3,443	210,335	20,275	10,264	278,182	118,454	-	118,454	396,636
Contributed items and services (Note 2K)	-	-	-	-	-	-	-	-	88,262	88,262	88,262
Bad debt (Note 2I)	-	-	-	-	-	-	-	986,439	-	986,439	986,439
TOTAL EXPENSES	\$ 6,385,633	\$ 2,878,539	\$ 1,408,474	\$ 4,105,364	\$ 871,226	\$ 1,044,787	\$ 16,694,023	\$ 4,042,017	\$ 745,571	\$ 4,787,588	\$ 21,481,611

**GREENWICH HOUSE, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 363,819	\$ 648,692
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	415,168	396,636
Bad debt	591,605	986,439
Net realized and unrealized loss (gain) on investments	304,683	(356,228)
Change in value of beneficial interest in remainder trust	52,173	(55,498)
Forgiveness of Paycheck Protection Program loan	<u>(2,189,317)</u>	<u>-</u>
	(461,869)	1,620,041
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable - government	(500,871)	(2,308,044)
Contributions receivable	1,005,033	(980,127)
Prepaid expenses and other assets	(121,919)	(27,010)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	647,362	543,433
Accrued salaries and related liabilities	(255,276)	60,532
Deferred revenue	<u>940,567</u>	<u>306,931</u>
Net Cash Provided by (Used in) Operating Activities	<u>1,253,027</u>	<u>(784,244)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale (purchase) of investments	59,333	(95,903)
Purchase of property and equipment	<u>(461,261)</u>	<u>(230,232)</u>
Net Cash Used in Investing Activities	<u>(401,928)</u>	<u>(326,135)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings on note payable	492,500	-
Borrowings on line of credit	<u>2,595</u>	<u>-</u>
Net Cash Provided by Financing Activities	<u>495,095</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,346,194	(1,110,379)
Cash and cash equivalents - beginning of year	<u>5,226,854</u>	<u>6,337,233</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 6,573,048</u>	<u>\$ 5,226,854</u>
Supplemental Non-Cash Disclosure:		
Forgiveness of Paycheck Protection Program loan	<u>\$ 2,189,317</u>	<u>\$ -</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	<u>\$ 49,434</u>	<u>\$ 32,917</u>

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

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 — ORGANIZATION AND NATURE OF ACTIVITIES

Greenwich House, Inc. (“Greenwich House”) was formed in 1902 for the purpose of providing health and human services, cultural and educational programs, and opportunities for civic and social engagement for communities in New York City’s west village and beyond.

The work of Greenwich House with government partners includes behavioral health and wellness programs for children and adults; substance disorder services; four older adult centers, and a workforce and training center. Additionally, Greenwich House provides a variety of community oriented arts and enrichment programs that include a music school, pottery school, and a youth community center with afterschool, holiday camp, and summer camp programs. Greenwich House’s primary sources of funding are Medicaid, government grants, and program tuition and fees. Greenwich House is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Barrow Street Nursery School at Greenwich House, Inc. (the “School” or “Affiliate”) is a pre-school located in Manhattan, New York which began operations in September 2005. It is supported primarily by tuition. The School is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Greenwich House is the sole member of the School.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Consolidation** – The consolidated financial statements include the activities of Greenwich House and the School (collectively referred to as the “Agency”). Upon consolidation, all significant intercompany balances and transactions are eliminated.
- B. Basis of Accounting** – The Agency’s consolidated financial statements are prepared on the accrual basis of accounting. The Agency adheres to accounting principles generally accepted in the United States of America (“U.S. GAAP”).
- C. Use of Estimates** – The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- D. Net Assets** – The Agency maintains its accounts in accordance with the following net asset groups:
- Without donor restrictions - This represents net assets not subject to donor-imposed stipulations and that have no time restrictions. Such resources are available for support of the Agency’s operations over which the Board of Directors has discretionary control.
- With donor restrictions - This represents net assets subject to donor-imposed stipulations that will be met by actions of the Agency or by the passage of time and donor-restricted endowment funds. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished or investment earnings are appropriated, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. The Agency reports donor restricted funds that are received and released in the same year to be net assets without donor restrictions.
- E. Cash and Cash Equivalents** – The Agency considers highly liquid debt instruments with maturities of three months or less when acquired to be cash and cash equivalents, except for cash held for long-term investments.
- F. Investments** – Investments are stated at fair value.

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. *Fair Value Measurements* – Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described below:

- Level 1 - Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2 - Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.
- Level 3 - Valuations based on unobservable inputs are used when little to no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

H. *Revenue Recognition* – Government grants and contracts and contributions are nonexchange transactions and accounted for under Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) 2018-08. Grants and contracts are recognized as revenue when barriers within the contract are overcome, and there is no right of return. Government grants revenue amounted to \$4,427,386 and \$5,347,061 for the years ended June 30, 2022 and 2021, respectively, and are included in the consolidated statements of activities. There are instances when the Agency receives advances from the governmental funding sources. Such advances are recorded as deferred revenue in the accompanying consolidated statements of financial position.

As of June 30, 2022, and 2021, the Agency received conditional grants and contracts from government agencies in the aggregate amounts of \$26,239,069 and \$3,163,433, respectively. Such grants have not been recognized in the accompanying consolidated financial statements as they are for future periods and will be recognized when contract barriers are overcome. Such barriers include expending these funds in accordance with their agreements. If such services are not provided, the governmental entities are not obligated to expend the funds allotted under the grants and contracts and the Agency may be required to return the funds already remitted.

Tuition and fees are recorded in the period in which the tuition and fees are earned. Deferred tuition is tuition payments received prior to year-end, but which are applicable to the following academic year. These amounts are recognized as revenue in the fiscal year in which educational services are provided. The beginning and ending balances related to tuition and fees were as follows as of June 30:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Deferred revenue	<u>\$ 4,197,783</u>	<u>\$ 3,257,216</u>	<u>\$ 2,950,285</u>

Tuition and fees are recognized at the time the contractual service is delivered and are accounted for under FASB Accounting Standards Codification (“ASC”) Topic 606 “Revenue from Contracts with Customers.” Performance obligations are determined based on the nature of the services provided by the Agency in accordance with the contract. Revenue for performance obligations are satisfied at a point in time at which services are provided. The Agency believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation.

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. When material, the discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. The Agency reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets.

- I. ***Allowance for Doubtful Accounts*** – An allowance for doubtful accounts on accounts receivable – government is charged if the receivable is determined to be uncollectible based on periodic review by management. Factors used to determine whether an allowance should be recorded include the age of the receivable, the creditworthiness of its customers and a review of payments subsequent to year-end. As of both June 30, 2022 and 2021, the Agency determined an allowance of \$380,985 was necessary.
- J. ***Property and Equipment*** – Property and equipment is stated at cost less accumulated depreciation and amortization. Items with a cost in excess of \$2,000 and an estimated useful life of greater than one year are capitalized. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is provided on the straight-line method over the shorter of the term of the lease or the estimated useful life of the asset.
- K. ***Contributed Items and Services*** – Contributed items are recorded at their estimated fair values at the date the contribution is received.

Contributed services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Agency. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Agency with specific assistance programs, campaign solicitations and various committee assignments that are not recorded in the consolidated financial statements, since the recognition criteria are not met.

In-kind goods and services were contributed to the School at an estimated value of \$0 and \$88,262 for the years ended June 30, 2022 and 2021, respectively. Donated goods were allocated as part of fundraising expenses and were estimated based on the fair market value of similar goods.

- L. ***Functional Allocation of Expenses*** – The costs of providing the Agency's services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and payroll taxes and benefits, which are allocated on the basis of time and effort, and occupancy, depreciation and amortization, insurance, telephone and repairs and maintenance, which are allocated on a square footage basis.
- M. ***Operating Measure*** – The Agency includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities.
- N. ***Recent Accounting Pronouncement*** – FASB ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958) was adopted for the year ended June 30, 2022. The core guidance is to increase the transparency of contributed nonfinancial assets through enhancements to presentation and disclosure, as further described in Note 2K.
- O. ***Reclassification*** – Certain line items in the June 30, 2021 financial statements have been reclassified to conform to the June 30, 2022 presentation.

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 3 — LIQUIDITY AND AVAILABILITY OF RESOURCES FOR GENERAL EXPENDITURES

The Agency regularly monitors liquidity required to meet its operating needs and other contractual commitments while also striving to maximize the investment of its available funds. The Agency has various sources of liquidity at its disposal, including cash and cash equivalents and investments.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Agency considers all expenditures related to its ongoing programs and other expenses, as well as the conduct of services undertaken to support these activities, to be general expenditures. In addition to financial assets available to meet general expenditures over the next 12 months, the Agency operates with a budgeted surplus and anticipates collecting sufficient revenue to cover general expenditure.

The Agency has a \$2 million line of credit as more fully explained in Note 6, which may be drawn upon for operating cash flow. The available balance for the line of credit amounted to \$1,247,355 and \$1,249,950 as of June 30, 2022 and 2021, respectively. The Agency also has earnings endowment funds as more fully explained in Note 8. During the year ended June 30, 2022, the Agency appropriated \$239,578 of earnings. The endowment earnings were not appropriated for expenditure during the year ended June 30, 2021.

As of June 30, 2022 and 2021, the following financial assets could be made readily available within one year of the consolidated statement of financial position date to meet general expenditures:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 6,573,048	\$ 5,226,854
Investments	2,940,438	3,304,454
Accounts receivable – government, net	4,950,786	5,041,520
Contributions receivable	<u>518,350</u>	<u>1,523,383</u>
Total financial assets	14,982,622	15,096,211
Less:		
Donor-restricted net assets	<u>(4,775,706)</u>	<u>(5,095,289)</u>
	<u>\$ 10,206,916</u>	<u>\$ 10,000,922</u>

NOTE 4 — INVESTMENTS

In determining the fair value of its investments, the Agency utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, and it also considers counterparty credit risk in its assessment of fair value (see Note 2G).

Investments at June 30, 2022 are comprised of the following:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
ASSETS CARRIED AT FAIR VALUE			
Investments:			
Cash and money market funds	\$ 1,653,320	\$ -	\$ 1,653,320
Mutual funds	1,273,566	-	1,273,566
Fixed income	<u>-</u>	<u>13,552</u>	<u>13,552</u>
TOTAL ASSETS AT FAIR VALUE	<u>\$ 2,926,886</u>	<u>\$ 13,552</u>	<u>\$ 2,940,438</u>

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 4 — INVESTMENTS (Continued)

Investments at June 30, 2021 are comprised of the following:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
ASSETS CARRIED AT FAIR VALUE			
Investments:			
Cash and money market funds	\$ 1,633,014	\$ -	\$ 1,633,014
Mutual funds	1,637,221	-	1,637,221
Fixed income	<u>-</u>	<u>34,219</u>	<u>34,219</u>
TOTAL ASSETS AT FAIR VALUE	<u>\$ 3,270,235</u>	<u>\$ 34,219</u>	<u>\$ 3,304,454</u>

Investments in money market funds and mutual funds are valued using market prices in active markets (Level 1). Fixed income is valued using model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data (Level 2).

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period. For the years ended June 30, 2022 and 2021, there were no transfers in or out of levels 1, 2 or 3.

The following table summarizes investment activity for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 187,788	\$ 97,510
Realized and unrealized gain (loss) on investments	(304,683)	356,228
Investment fees	<u>(410)</u>	<u>(3,062)</u>
Subtotal	(117,305)	450,676
Less: Investment return appropriated for operations	<u>(11,068)</u>	<u>(1,424)</u>
Investment return (under) over amount used for operations	<u>\$ (128,373)</u>	<u>\$ 449,252</u>

NOTE 5 — PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30:

	<u>2022</u>	<u>2021</u>	<u>Estimated Useful Lives</u>
Buildings	\$ 450,605	\$ 450,605	30 Years
Furniture, fixtures and equipment	386,746	367,461	5-10 Years
Building improvements	3,278,417	3,278,417	15-30 Years
Leasehold improvements	2,654,759	2,295,630	3-10 Years
Construction in progress	<u>873,645</u>	<u>790,798</u>	
Total cost	7,644,172	7,182,911	
Less: accumulated depreciation and amortization	<u>(4,708,206)</u>	<u>(4,293,038)</u>	
Net book value	<u>\$ 2,935,966</u>	<u>\$ 2,889,873</u>	

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 5 — PROPERTY AND EQUIPMENT (Continued)

Depreciation and amortization expense amounted to \$415,168 and \$396,636 for the years ended June 30, 2022 and 2021, respectively.

Construction in progress relates to costs to renovate and expand the pottery school, the music school and 27 Barrow Local Law 11. Construction is expected to be completed for the three projects by fiscal year 2025. The estimated costs to complete the construction in progress is approximately \$4,800,000.

NOTE 6 — BANK LINE OF CREDIT

In August 2014, Greenwich House obtained a \$2,000,000 commercial line of credit from the Emigrant Funding Corporation. The line of credit requires interest-only monthly payments at the higher of 100 basis points in excess of the prime rate or 4.50% until March 2023, when all unpaid principal is due in full. Interest charged was 4.50% as of both June 30, 2022 and 2021. The line of credit is secured by property owned by Greenwich House.

Interest expense for the years ended June 30, 2022 and 2021 was \$49,434 and \$32,917, respectively, and is recorded as other expenses in the accompanying consolidated statements of functional expenses. As of June 30, 2022 and 2021, the balance due on the line of credit was \$752,645 and \$750,050, respectively. As of January 11, 2023, there was approximately \$1,350,00 outstanding.

NOTE 7 — NOTE AND LOAN PAYABLE

On March 27, 2020, in response to COVID-19, the federal government passed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). Among many other provisions, to help businesses retain employees, the CARES Act provides relief to qualifying businesses through a program called the Paycheck Protection Program ("PPP"). Participating in the PPP enables the business to obtain a loan from the Small Business Administration ("SBA"). If the proceeds from the loan are used for specified purposes, some or all of the loan can be forgiven. The Agency applied for this loan through an SBA - authorized lender. The loan, amounting to \$2,189,317, was approved in April 2020 and received on April 10, 2020.

The Agency recognized the loan in accordance with FASB Topic 470, *Debt*. Accordingly, the proceeds of the PPP loan were recognized as loan payable on the accompanying consolidated statements of financial position and the Agency derecognized the liability when the loan was forgiven.

As of June 30, 2021, the outstanding balance was \$2,189,317. On August 19, 2021, the Agency received forgiveness for the entire amount and recognized the revenue in the accompanying consolidated statement of activities for the year ended June 30, 2022.

On June 9, 2022, the Agency obtained a short-term loan with the Fund for the City of New York for \$500,000. The loan is subject to a 1.5% service charge of the principal amount for the initial loan period, which period should be no longer than three months. If the Agency does not pay back the loan within three months, the lender will impose an additional 1.5% service charge for any additional periods of three months or less that the loan remains outstanding. If the loan is not fully repaid by the end of the original loan period, the lender may charge interest of prime plus 3% of the principal amount outstanding in lieu of the service charge, until the loan and all related charges are fully repaid. As of June 30, 2022, the balance due on the loan was \$492,500.

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 8 — NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were as follows as of June 30:

	<u>2022</u>	<u>2021</u>
Children's program	\$ 541,477	\$ 635,842
Music school	257,117	57,131
Pottery school	1,209,147	1,214,398
Scholarships	-	278,873
Senior services	-	29,445
Methadone maintenance & treatment program	412,468	-
NNW - Neighborhood network	-	140,960
After school	25,000	25,000
Other programs	17,193	32,793
Beneficial interest in remainder trust	246,047	298,220
Unappropriated endowment earnings	355,996	671,366
Endowment corpus	<u>1,711,261</u>	<u>1,711,261</u>
	<u>\$ 4,775,706</u>	<u>\$ 5,095,289</u>

Net assets were released from restrictions by incurring expenses or the passage of time, thus satisfying the restricted purpose as follows for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Children's program	\$ 94,379	\$ 83,953
Music school	-	44,419
NNW - Neighborhood network	140,960	-
Pottery school	5,250	41,183
Scholarships	278,873	124,109
Senior services	29,445	25,858
Other programs	45,601	11,209
Endowment appropriations	239,578	-
NYCT - COVID project funding	-	97,771
NNW – Neighborhood network	<u>-</u>	<u>130,642</u>
	<u>\$ 834,086</u>	<u>\$ 559,144</u>

Donor-restricted endowment funds consist of funds with income restricted for the following as of June 30:

	<u>2022</u>	<u>2021</u>
Children's program	\$ 45,887	\$ 45,887
General operating	217,522	217,522
Music therapy	200,000	200,000
Leadership awards	47,433	47,433
Pottery school	75,000	75,000
Music school	<u>1,125,419</u>	<u>1,125,419</u>
	<u>\$ 1,711,261</u>	<u>\$ 1,711,261</u>

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 8 — NET ASSETS WITH DONOR RESTRICTIONS (Continued)

The Agency recognizes that New York State adopted as law the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). NYPMIFA replaced the prior law, which was the Uniform Management of Institutional Funds Act ("UMIFA"). In addition, NYPMIFA created a rebuttable presumption of imprudence if an organization appropriates more than seven percent of a donor-restricted endowment fund's fair value (averaged over a period of not less than the preceding five years) in any year. Any unappropriated earnings that would otherwise not be restricted by the donor will be reflected as net assets with donor restrictions until appropriated.

The Agency's Board has interpreted NYPMIFA as allowing the Agency to appropriate for expenditure or accumulate so much of an endowment fund as the Agency determines is prudent for the uses, benefits, purposes and duration for which the endowment fund was established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise, the assets in a donor-restricted endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Agency to retain as a fund of perpetual duration. In accordance with the Agency's policy noted in Note 2D, deficiencies of this nature are reported in net assets with donor restrictions. As of June 30, 2022 and 2021, the Agency had not incurred a deficiency in its donor-restricted endowment funds.

The Agency's endowment investment policy is to invest primarily in a mix of equities and fixed-income securities based on an asset allocation to satisfy its overall endowment financial and investment objectives, such as to preserve the principal, protect against inflation, receive stable returns and achieve long-term growth. The Agency relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

Changes in endowment net assets for the year ended June 30, 2022 are as follows:

	<u>Unappropriated Earnings</u>	<u>Endowment Corpus</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 671,366	\$ 1,711,261	\$ 2,382,627
Investment loss	(75,792)	-	(75,792)
Appropriated for operations	<u>(239,578)</u>	<u>-</u>	<u>(239,578)</u>
Endowment net assets, end of year	<u>\$ 355,996</u>	<u>\$ 1,711,261</u>	<u>\$ 2,067,257</u>

Changes in endowment net assets for the year ended June 30, 2021 are as follows:

	<u>Unappropriated Earnings</u>	<u>Endowment Corpus</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 437,129	\$ 1,711,261	\$ 2,148,390
Investment return	<u>234,237</u>	<u>-</u>	<u>234,237</u>
Endowment net assets, end of year	<u>\$ 671,366</u>	<u>\$ 1,711,261</u>	<u>\$ 2,382,627</u>

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 9 — PENSION PLANS

- A. Certain of the Agency's employees in government-funded programs are covered by a multi-employer pension plan covering union employees. The Agency contributes to the 1199 SEIU Health Care Employees Pension Fund (the "Plan"), a multi-employer, non-contributory, defined benefit pension plan which provides retirement benefits to employees who are covered under collective bargaining agreements. The Plan is administered by a Board of Trustees and is subject to the provisions of the Employee Retirement Income Security Act of 1974.

The risks of participating in multi-employer pension plans are different from single-employer plans in that: assets contributed to a multi-employer plan by one employer may be used to provide benefits to employees of other participating employers; if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and if the Agency stops participating in the multi-employer plan, the Agency may be required to pay the Plan an amount based on the underfunded status of the Plan, referred to as a withdrawal liability. The Agency contributed \$151,583 and \$160,091 to the Plan for the years ended June 30, 2022 and 2021, respectively.

The following information was obtained from the Greenwich House union-managed pension plan:

Pension Plan	Employer Identification Number	Pension Plan Number	PPA Zone	FIP/RP Status Pending/ Implemented	Surcharge Imposed	Expiration Date of Collective Bargaining Agreements
			<u>Status</u> January 1, 2022			
1199 SEIU Health Care Employees Pension Fund	13-3604862	001	Green	N/A	No	June 30, 2024

The Plan was certified by its actuary to be in "green zone" status - not endangered seriously or critically as of January 1, 2022.

- B. Greenwich House established a 403(b) defined contribution plan covering all employees. Greenwich House does not make contributions to this plan.

In 2014, the School established a tax deferred annuity plan for all employees who work 20 or more hours per week or 1,000 or more hours for the 12-month period beginning on the hire date. The School makes discretionary contributions to the plan. Pension expense for the years ended June 30, 2022 and 2021, amounted to \$82,467 and \$83,435, respectively.

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 10 — COMMITMENTS AND CONTINGENCIES

- A. The Agency has lease commitments for certain facilities and equipment expiring on various dates through 2025. Future minimum lease payments are as follows for each of the three years ending June 30:

	<u>Equipment</u>	<u>Facility</u>	<u>Total</u>
2023	\$ 25,460	\$ 1,089,311	\$ 1,114,771
2024	-	1,086,427	1,086,427
2025	-	<u>570,513</u>	<u>570,513</u>
	<u>\$ 25,460</u>	<u>\$ 2,746,251</u>	<u>\$ 2,771,711</u>

Rent expense for facilities amounted to \$1,159,834 and \$1,309,080, respectively, for the years ended June 30, 2022 and 2021. Rent expense for equipment amounted to \$35,892 and \$72,931, respectively, for the years ended June 30, 2022 and 2021.

- B. The Agency believes it has no uncertain tax positions as of June 30, 2022 and 2021, in accordance with FASB ASC Topic 740, "Income Taxes," which provides standards for establishing and classifying any tax provisions for uncertain tax positions.
- C. The Agency is subject to legal proceedings and claims that have recently been filed, and is unable to anticipate the impact, if any, these will have on the consolidated financial statements.

NOTE 11 — CONCENTRATION

Cash and cash equivalents that potentially subject the Agency to a concentration of credit risk include cash accounts with two banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits (\$250,000 per depositor, per insured financial institution) by approximately \$5,750,000 and \$4,470,000 as of June 30, 2022 and 2021, respectively. This excess includes outstanding checks.

NOTE 12 — BENEFICIAL INTEREST IN REMAINDER TRUST

During 2005, Greenwich House was named a beneficiary of a trust in which Greenwich House has an irrevocable remainder trust interest and the assets are placed under the control of a trustee other than Greenwich House. The trustee acts as a fiduciary of the assets and, upon termination of the trust, these assets will be transferred to Greenwich House. This receivable has been discounted at a rate of 5% using actuarially based mortality tables. The value of the beneficial interest in remainder trust at June 30, 2022 and 2021 was \$246,047 and \$298,220, respectively.

NOTE 13 — CONTRIBUTIONS RECEIVABLE

Contributions receivable were due to be collected during the following years as of June 30:

	<u>2022</u>	<u>2021</u>
Less than one year	\$ 489,350	\$ 1,065,383
One to five years	<u>29,000</u>	<u>458,000</u>
	<u>\$ 518,350</u>	<u>\$ 1,523,383</u>

GREENWICH HOUSE, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 14 — SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through January 11, 2023, the date the consolidated financial statements were available to be issued.

GREENWICH HOUSE, INC. AND AFFILIATE
CONSOLIDATING SCHEDULES OF FINANCIAL POSITION
AS OF JUNE 30, 2022 AND 2021

	As of June 30, 2022				As of June 30, 2021			
	Greenwich House, Inc.	Barrow Street Nursery School	Intercompany Eliminations	Total 2022	Greenwich House, Inc.	Barrow Street Nursery School	Intercompany Eliminations	Total 2021
ASSETS								
Cash and cash equivalents	\$ 704,808	\$ 5,868,240	\$ -	\$ 6,573,048	\$ 665,275	\$ 4,561,579	\$ -	\$ 5,226,854
Investments	2,940,438	-	-	2,940,438	3,304,454	-	-	3,304,454
Accounts receivable - government, net	4,950,786	-	-	4,950,786	5,041,520	-	-	5,041,520
Contributions receivable	496,100	22,250	-	518,350	1,519,133	4,250	-	1,523,383
Prepaid expenses and other assets	332,109	73,259	-	405,368	249,623	1,224,534	(1,190,708)	283,449
Beneficial interest in remainder trust	246,047	-	-	246,047	298,220	-	-	298,220
Due from related party	-	662,399	(662,399)	-	96,086	-	(96,086)	-
Property and equipment, net	2,371,273	564,693	-	2,935,966	2,311,074	578,799	-	2,889,873
TOTAL ASSETS	\$ 12,041,561	\$ 7,190,841	\$ (662,399)	\$ 18,570,003	\$ 13,485,385	\$ 6,369,162	\$ (1,286,794)	\$ 18,567,753
LIABILITIES								
Accounts payable and accrued expenses	\$ 1,718,195	\$ 81,706	\$ -	\$ 1,799,901	\$ 932,717	\$ 219,822	\$ -	\$ 1,152,539
Accrued salaries and related liabilities	516,928	115,818	-	632,746	738,640	149,382	-	888,022
Due to related party	662,399	-	(662,399)	-	-	96,086	(96,086)	-
Deferred revenue	285,288	3,912,495	-	4,197,783	1,365,643	3,082,281	(1,190,708)	3,257,216
Line of credit	752,645	-	-	752,645	750,050	-	-	750,050
Notes payable	492,500	-	-	492,500	-	-	-	-
Paycheck Protection Program loan payable	-	-	-	-	2,189,317	-	-	2,189,317
TOTAL LIABILITIES	4,427,955	4,110,019	(662,399)	7,875,575	5,976,367	3,547,571	(1,286,794)	8,237,144
NET ASSETS								
Without donor restrictions								
Invested in property and equipment	2,371,273	564,693	-	2,935,966	2,311,074	578,799	-	2,889,873
Operations	1,008,104	1,974,652	-	2,982,756	1,017,384	1,328,063	-	2,345,447
Total without donor restrictions	3,379,377	2,539,345	-	5,918,722	3,328,458	1,906,862	-	5,235,320
With donor restrictions								
Time and purpose	2,522,968	541,477	-	3,064,445	2,469,299	914,729	-	3,384,028
Perpetual in nature	1,711,261	-	-	1,711,261	1,711,261	-	-	1,711,261
With donor restrictions	4,234,229	541,477	-	4,775,706	4,180,560	914,729	-	5,095,289
TOTAL NET ASSETS	7,613,606	3,080,822	-	10,694,428	7,509,018	2,821,591	-	10,330,609
TOTAL LIABILITIES AND NET ASSETS	\$ 12,041,561	\$ 7,190,841	\$ (662,399)	\$ 18,570,003	\$ 13,485,385	\$ 6,369,162	\$ (1,286,794)	\$ 18,567,753

See independent auditors' report.

GREENWICH HOUSE, INC. AND AFFILIATE
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
(With Summarized Comparative Totals for the Year Ended June 30, 2021)

	Greenwich House, Inc.			Barrow Street Nursery School				2022	2021
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Consolidating Eliminations	Consolidated Total	Consolidated Total
OPERATING REVENUE AND SUPPORT:									
Revenue									
Government grants	\$ 4,318,786	\$ -	\$ 4,318,786	\$ 108,600	\$ -	\$ 108,600	\$ -	\$ 4,427,386	\$ 5,347,061
Program tuition and fees (net of financial aid of \$367,203 and \$124,109, respectively)	2,610,785	-	2,610,785	4,983,254	-	4,983,254	-	7,594,039	6,187,731
Medicaid and other insurance	6,601,774	-	6,601,774	-	-	-	-	6,601,774	6,484,657
Contributions	895,603	642,468	1,538,071	124,374	-	124,374	-	1,662,445	3,124,689
In-kind contributions	-	-	-	-	-	-	-	-	88,262
Special events (net of direct benefits to donor of \$39,364 and \$0, respectively)	-	-	-	626,231	-	626,231	-	626,231	-
Rental income	904,647	-	904,647	-	-	-	(511,189)	393,458	115,578
Investment return appropriated for operations	-	-	-	11,068	-	11,068	-	11,068	1,424
Management fees	669,951	-	669,951	-	-	-	(669,951)	-	-
Other income	266,062	-	266,062	45,348	-	45,348	-	311,410	206,151
Forgiveness of Paycheck Protection Program loan	2,189,317	-	2,189,317	-	-	-	-	2,189,317	-
Net assets released from restrictions	460,834	(460,834)	-	373,252	(373,252)	-	-	-	-
TOTAL OPERATING REVENUE AND SUPPORT	18,917,759	181,634	19,099,393	6,272,127	(373,252)	5,898,875	(1,181,140)	23,817,128	21,555,553
OPERATING EXPENSES:									
Program services:									
Substance abuse services	7,040,342	-	7,040,342	-	-	-	-	7,040,342	6,385,633
Adult services	2,157,288	-	2,157,288	-	-	-	-	2,157,288	2,878,539
Mental health services	1,484,738	-	1,484,738	-	-	-	-	1,484,738	1,408,474
Nursery school and other children's services	581,399	-	581,399	4,945,551	-	4,945,551	(511,189)	5,015,761	4,105,364
Music school	962,413	-	962,413	-	-	-	-	962,413	871,226
Pottery school	1,305,447	-	1,305,447	-	-	-	-	1,305,447	1,044,787
Total program services	13,531,627	-	13,531,627	4,945,551	-	4,945,551	(511,189)	17,965,989	16,694,023
Supporting services:									
Management and administration	4,879,448	-	4,879,448	682,661	-	682,661	(669,951)	4,892,158	4,042,017
Fundraising	403,184	-	403,184	11,432	-	11,432	-	414,616	745,571
Total supporting services	5,282,632	-	5,282,632	694,093	-	694,093	(669,951)	5,306,774	4,787,588
TOTAL OPERATING EXPENSES	18,814,259	-	18,814,259	5,639,644	-	5,639,644	(1,181,140)	23,272,763	21,481,611
CHANGE IN NET ASSETS FROM OPERATIONS	103,500	181,634	285,134	632,483	(373,252)	259,231	-	544,365	73,942
NONOPERATING ACTIVITIES									
Investment return over (under) amount used for operations	(52,581)	(75,792)	(128,373)	-	-	-	-	(128,373)	449,252
Change in value of beneficial interest in remainder trust	-	(52,173)	(52,173)	-	-	-	-	(52,173)	125,498
CHANGE IN NET ASSETS	50,919	53,669	104,588	632,483	(373,252)	259,231	-	363,819	648,692
Net assets - beginning of year	3,328,458	4,180,560	7,509,018	1,906,862	914,729	2,821,591	-	10,330,609	9,681,917
NET ASSETS - END OF YEAR	\$ 3,379,377	\$ 4,234,229	\$ 7,613,606	\$ 2,539,345	\$ 541,477	\$ 3,080,822	\$ -	\$ 10,694,428	\$ 10,330,609

See independent auditors' report.