INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

with

INDEPENDENT AUDITORS' REPORT

YEAR ENDED JUNE 30, 2020

(With Summarized Comparative Consolidated Information for 2019)

Smith Sullivan & Brown PC
CERTIFIED PUBLIC ACCOUNTANTS

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INTERSEMINARIAN - PROJECT PLACE, INC., AND SUBSIDIARIES

REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020
(With Summarized Comparative Consolidated Information for 2019)

Jobs – Housing – Hope

Mission Statement

Project Place provides opportunities for homeless and low-income individuals by providing the skills, education, resources, and personal supports necessary to obtain and sustain employment and housing.

www.projectplace.org

INTERSEMINARIAN - PROJECT PLACE, INC., AND SUBSIDIARIES

REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(With Summarized Comparative Consolidated Information for 2019)

C O N T E N T S

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Interseminarian - Project Place, Inc. and Subsidiaries
Boston, Massachusetts

We have audited the accompanying consolidated financial statements of Interseminarian - Project Place, Inc. (a Massachusetts nonprofit organization) and Subsidiaries (collectively, the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2020, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Interseminarian - Project Place, Inc. and Subsidiaries as of June 30, 2020 and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

To the Board of Directors
Interseminarian - Project Place, Inc. and Subsidiaries

Report on Summarized Comparative Information

We have previously audited Interseminarian - Project Place, Inc.'s June 30, 2019 consolidated financial statements, and our report dated September 25, 2019, expressed an unmodified opinion on those consolidated financial statements. In our opinion, the summarized comparative consolidated information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2020 on our consideration of Interseminarian - Project Place, Inc.'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 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 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 Interseminarian - Project Place, Inc.'s internal control over financial reporting and compliance.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements on pages 24 - 27 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Smith, Sullivan & Brown, P.C.

Westborough, Massachusetts
October 28, 2020

INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2020 AND 2019

ASSETS

	2020	2019
CURRENT ASSETS:		
Cash	$ 1,012,622	$ 641,536
Accounts Receivable, Program Services	338,911	298,544
Accounts Receivable, Residents	6,418	7,191
Contributions Receivable	-	45,000
Prepaid Expenses	9,157	18,553
Total Current Assets	1,367,108	1,010,824
PROPERTY AND EQUIPMENT:		
Property and Equipment	10,776,537	10,692,377
Less: Accumulated Depreciation	(4,161,255)	(3,865,192)
Net Property and Equipment	6,615,282	6,827,185
OTHER ASSETS:		
Board Designated Funds for Strategic Plan	2,000,000	1,600,000
Restricted Deposits and Funded Reserves	230,302	270,205
Total Other Assets	2,230,302	1,870,205
TOTAL ASSETS	$ 10,212,692	$ 9,708,214

LIABILITIES AND NET ASSETS

	2020	2019
CURRENT LIABILITIES:		
Accounts Payable	$ 20,860	$ 46,124
Accrued Expenses	215,946	181,756
Deferred Revenue	65,940	28,956
Conditional Grant Advance	424,970	-
Total Current Liabilities	727,716	256,836
LONG-TERM LIABILITIES:		
Long-Term Deferred Payment Debt	1,900,000	1,900,000
Total Long-Term Liabilities	1,900,000	1,900,000
TOTAL LIABILITIES	2,627,716	2,156,836
NET ASSETS:		
Net Assets Without Donor Restrictions:		
Operating	869,694	1,024,193
Board Designated	2,000,000	1,600,000
Invested in Property and Equipment	4,715,282	4,927,185
Total Net Assets Without Donor Restrictions	7,584,976	7,551,378
TOTAL LIABILITIES AND NET ASSETS	$ 10,212,692	$ 9,708,214

INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

(With Summarized Comparative Consolidated Totals for 2019)

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL ACTIVITIES 2020	TOTAL ACTIVITIES 2019
SUPPORT, REVENUES AND RECLASSIFICATIONS:				
Support and Revenues:				
Government Grants and Contracts	$ 1,325,918	$ -	$ 1,325,918	$ 1,119,937
Commercial Products and Services	518,123	-	518,123	536,935
Rental Income	187,327	-	187,327	190,038
Gifts, Grants and Contributions	558,990	500,790	1,059,780	717,368
Special Event Proceeds	696,501	-	696,501	1,136,860
Less: Direct Cost of Benefits to Donors	-	-	-	(346,023)
Miscellaneous Revenues	5,558	-	5,558	6,013
Investment Return	37,116	-	37,116	40,036
Reclassification of Net Assets - Released from Restriction:				
Satisfaction of Donor Restrictions	500,790	(500,790)	-	-
TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS	**3,830,323**	**-**	**3,830,323**	**3,401,164**
EXPENSES:				
Program Services:				
Program Services	3,002,629	-	3,002,629	2,761,183
Supporting Services:				
Administrative	430,999	-	430,999	361,830
Fund Raising	363,097	-	363,097	249,432
TOTAL EXPENSES	**3,796,725**	**-**	**3,796,725**	**3,372,445**
TOTAL CHANGE IN NET ASSETS	**33,598**	**-**	**33,598**	**28,719**
NET ASSETS - BEGINNING OF YEAR	**7,551,378**	**-**	**7,551,378**	**7,522,659**
NET ASSETS - END OF YEAR	**$ 7,584,976**	**$ -**	**$ 7,584,976**	**$ 7,551,378**

INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020
(With Summarized Comparative Consolidated Totals for 2019)

	CLIENT SERVICES	EDUCATION	TRAINING & EMPLOY-MENT	HOUSING	TOTAL PROGRAM SERVICES	ADMINI-STRATIVE	FUND RAISING	EVENT COSTS	TOTAL FUNCTIONAL EXPENSES 2020	TOTAL FUNCTIONAL EXPENSES 2019
Personnel Expenses:										
Salaries and Wages	$ 655,313	$ 203,388	$ 618,380	$ 76,005	$1,553,086	$ 199,458	$ 128,158	$ -	$1,880,702	$ 1,636,792
Payroll Taxes	62,109	19,127	58,174	6,519	145,929	16,091	10,234	-	172,254	153,944
Fringe Benefits	66,138	13,938	57,901	5,106	143,083	19,205	12,549	-	174,837	152,106
Total Personnel Expenses	783,560	236,453	734,455	87,630	1,842,098	234,754	150,941	-	2,227,793	1,942,842
Operating Expenses:										
Client Wages	-	-	308,072	-	308,072	-	-	-	308,072	318,648
Program Supplies and Activities	9,623	42,181	45,758	8,415	105,977	1,191	21	-	107,189	101,833
Occupancy Costs	40,088	11,826	41,696	31,186	124,796	8,759	7,134	-	140,689	215,840
Depreciation	54,033	41,541	47,600	104,602	247,776	24,112	24,175	-	296,063	270,100
Program Consultants	20,550	-	-	-	20,550	-	-	-	20,550	32,627
Staff Training	3,046	-	605	-	3,651	1,610	1,787	-	7,048	3,213
Staff Travel	4,458	76	-	-	4,534	284	159	-	4,977	6,788
Fundraising Events	-	-	-	-	-	-	-	148,967	148,967	346,023
Professional Fees	61,510	4,827	25,172	27,037	118,546	110,778	5,878	-	235,202	160,212
Insurance Expense	39,772	8,818	35,723	14,349	98,662	11,091	7,082	-	116,835	98,270
Program and Office Support	29,787	6,386	78,747	12,433	127,353	35,743	14,127	-	177,223	206,817
Other Expenses	151	-	463	-	614	2,677	2,826	-	6,117	14,337
Bad Debt Expense	-	-	-	-	-	-	-	-	-	918
Total Operating Expenses	263,018	115,655	583,836	198,022	1,160,531	196,245	63,189	148,967	1,568,932	1,775,626
Total Functional Expenses	**1,046,578**	**352,108**	**1,318,291**	**285,652**	**3,002,629**	**430,999**	**214,130**	**148,967**	**3,796,725**	**3,718,468**
Direct Cost of Benefits to Donors	-	-	-	-	-	-	-	-	-	(346,023)
Total Expenses Per the Statement of Activites	**$1,046,578**	**$ 352,108**	**$1,318,291**	**$ 285,652**	**$3,002,629**	**$ 430,999**	**$ 214,130**	**$ 148,967**	**$3,796,725**	**$ 3,372,445**

INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	$ 33,598	$ 28,719
Adjustments to Reconcile the Above to Net Cash Provided by Operating Activities:		
Depreciation Expense	296,063	270,100
Net Investment (Income) Loss	(36,858)	(40,720)
(Increase) Decrease in Current Assets:		
Accounts Receivable, Program Services	(40,367)	(104,559)
Accounts Receivable, Residents	773	(1,224)
Contributions Receivable	45,000	129,500
Inventory	-	1,723
Prepaid Expenses	9,396	18,387
Increase (Decrease) in Current Liabilities:		
Accounts Payable	(25,264)	8,072
Accrued Expenses	34,190	25,560
Deferred Revenue	36,984	(35,487)
Conditional Grant Advance	424,970	-
Net Adjustment	744,887	271,352
NET CASH PROVIDED BY OPERATING ACTIVITIES	**778,485**	**300,071**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of Property, Equipment and Building Improvements	(84,160)	(201,106)
Net Proceeds from / Purchases of Investments	55,017	(200,000)
Net Cash Flows from Investing Activities	(29,143)	(401,106)
NET INCREASE / (DECREASE) IN CASH BALANCES	**749,342**	**(101,035)**
CASH BALANCES - BEGINNING OF YEAR	**1,230,367**	**1,331,402**
CASH BALANCES - END OF YEAR	**$ 1,979,709**	**$ 1,230,367**
Cash Balances:		
Cash	*$ 1,012,622*	*$ 641,536*
Board Designated Funds for Strategic Plan	*736,785*	*318,626*
Restricted Deposits and Funded Reserves	*230,302*	*270,205*
Total Cash Balances	*$ 1,979,709*	*$ 1,230,367*

NOTE 1 ORGANIZATION AND AFFILIATIONS

Interseminarian - Project Place, Inc.:

Interseminarian - Project Place, Inc. ("Project Place") is a nonprofit organization founded and incorporated in 1967, under the provisions of Massachusetts General Laws Chapter 180 and qualifies as a tax-exempt not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. Project Place has been classified as an organization which is not a private foundation under Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for federal income tax purposes.

Project Place Gatehouse, Inc.:

Project Place Gatehouse, Inc. (the "Subsidiary" or "Project Place Gatehouse") is a nonprofit organization founded and incorporated in February 2007 under the above noted provisions of the Massachusetts General Laws and the Internal Revenue Code. The Board of Directors for Project Place Gatehouse is comprised of four members of the Board of Directors for Project Place. Project Place Gatehouse owns a condominium unit located at 1145 Washington Street in Boston that houses affordable residential housing along with the Project Place program and office facilities. The residential housing consists of 14 furnished studio apartments.

The 1145 Washington Street Condominium Trust:

The 1145 Washington Street Condominium Trust (the "Condominium Trust") was established in 2014 pursuant to a Declaration of Trust under the provisions of Massachusetts General Laws, Chapter 183A, Section 10. The 1145 Washington Street Condominium consists of land and buildings divided into a restaurant/retail condominium unit, and the above noted office/commercial/residential condominium unit which is owned by Project Place Gatehouse.

Generally, each of the unit owners will be responsible for the proper maintenance and repair of its respective unit and common area to which it has exclusive rights. Operating costs applicable to the entire building, which include electricity, gas, water, sewer and property insurance, will be allocated and assessed among the unit owners in accordance with the percentages of interests in the general common elements and specific cost allocations based upon usage.

The Board of Trustees of The Condominium Trust shall consist of three members. Two trustees shall be appointed and chosen from the Project Place unit owner and one trustee shall be appointed and chosen from the restaurant unit owner.

NOTE 1 *(Continued)*

Caritas Project Place Cortes Member LLC:

Project Place owns 21% of Caritas Project Place Cortes Member LLC ("Caritas PP"), which is a managing member corporation established to participate in the Caritas Project Place Cortes LLC real estate development project. As the managing member of a limited partnership, Caritas PP owns .01% of the underlying real estate development project, consisting of 41 units of affordable housing located on Cortes Street, Boston, Massachusetts. Project Place's interest in this entity is not considered to have a financial value and, therefore, is not reflected within the Organization's books and records. Project Place is party to a service agreement to provide employment, training, and other services for the benefit of the current and future residents of the housing project with compensation set at the rate of $50,000 per year.

NOTE 2 PROGRAM SERVICES

Project Place provides essential resources to clients who want to find meaningful work and a place to call home. The Organization offers a coordinated plan of services toward clients' goals of employment, housing, and hope for the future.

A prominent social service agency in Boston, Project Place has been working in the community since 1967 serving clients in the face of significant challenges. As the needs of the population have shifted over the years, Project Place has responded by refocusing its programs to fit current needs. Since the need for jobs and housing has never been greater, Project Place operates out of a sense of urgency with compassion and the know-how to support personal change.

Until now, Project Place clients have had limited options for employment stemming from problems related to poverty and insufficient education to perform adequately in today's workplace. Most clients have experienced interruptions in the flow of their lives stemming from drug and alcohol abuse, military service, family breakdown, incarceration, domestic violence, mental illness, or a cluster of these problems that are overwhelming to overcome without assistance.

Prospective clients come to us through word-of-mouth and by referrals from community and church centers. We offer a warm welcome into the community to those who demonstrate a willingness to do the hard work necessary to set and meet long-term goals. The first requirement for admissions is a commitment to personal stability, including gaining and maintaining sobriety and meeting the full attendance requirement of the programs. In return, Project Place offers an array of programming, imparting new skills for individuals to transition out of homelessness.

Project Place believes in the success of our clients and provides support post-placement for a minimum of two years to sustain the positive strides made by our clients and to promote a career trajectory.

In response to the COVID-19 pandemic beginning in March 2020, Project Place has implemented a remote programming model which continues to provide support and services to clients.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies which affect significant elements of the Organization's consolidated financial statements are described below to enhance the usefulness of the consolidated financial statements to the reader. The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates; however, adherence to generally accepted accounting principles, has in management's opinion, resulted in reliable and consistent financial reporting by the Organization.

Principles of Consolidation:

The consolidated financial statements include the accounts of Interseminarian - Project Place, Inc., Project Place Gatehouse, Inc. and The 1145 Washington Street Condominium Trust, collectively referred to as the "Organization". All significant balances between classes of net assets and inter-organization balances and transactions among entities have been eliminated in the accompanying consolidated financial statements.

Condominium Fees received from the second unit owner have been netted against the gross common area costs and the net cost applicable to Project Place and Project Place Gatehouse has been presented within *Occupancy Costs* and allocated across programs and supporting services in accordance with the Organization's cost allocation policies.

Basis of Accounting:

The Organization's policy is to maintain its books and prepare its consolidated financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when a liability has been incurred.

Fair Value of Financial Instruments:

The Organization reports its fair value measures by using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1 - Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; observable inputs other than quoted prices for the asset or liability (for example, interest rate and yield curves); and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

NOTE 3 *(Continued)*

Level 3 - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The primary use of fair value measures in the Organization's consolidated financial statements are:

- Initial measurement of noncash gifts, including gifts of investment assets and unconditional promises to give.
- Recurring measurement of investments.

There have been no changes to this valuation methodology for the years presented.

Financial Statement Presentation:

As required by the *FASB Accounting Standards Codification*™, the Organizations report information regarding their combined financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. These classifications are related to the existence or absence of donor-imposed restrictions as follows:

Net Assets Without Donor Restrictions - consists of assets, public support and program revenues which are available and used for operations and programs. Net assets without donor restrictions represents the portion of net assets of the Organization that are not restricted by donor-imposed stipulations. Contributions are considered available for use unless specifically restricted by the donor. In addition, net assets within this classification may include funds which represent resources designated by the Board of Directors for specific purposes.

Net Assets With Donor Restrictions - includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the Organization. Resources of this nature originate from gifts, grants or bequests and may include investment income earned on restricted funds. These net assets may also include resources which have a donor-imposed restriction which stipulates that a portion of the assets are to be maintained in perpetuity, but permits the Organization to expend part or all of the income derived from the donated assets.

The accompanying consolidated financial statements include certain FY 2019 comparative information. With respect to the Consolidated Statement of Activities, such prior year information is not presented by net asset class and, in the Consolidated Statement of Functional Expenses, FY 2019 expenses by line item are in total rather than by functional category. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2019, from which the summarized information was derived.

NOTE 3 *(Continued)*

Investments:

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Consolidated Statement of Financial Position. Net investment return/(loss) is reported in the Consolidated Statement of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses. Cash held in brokerage accounts is reported as investments for purposes of these financial statements. Investments are classified as short or long-term depending upon the nature of the investments and the intentions of management.

Accounts Receivable:

Accounts Receivable, Program Services represents amounts which are due from government funded program service contracts, subcontracts and commercial service revenue. *Accounts Receivable, Program Services* are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. *Accounts Receivable, Program Services* are reported net of the estimated uncollectible balance. *Bad Debt Expense* on program services was $918 for the year ended June 30, 2019. No bad debts were recognized for the year ended June 30, 2020.

Accounts Receivable, Residents represents rental income amounts which are due from individual tenants. *Accounts Receivable, Residents* are stated at the amount management expects to collect from its tenants. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of the respective individuals. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. *Accounts Receivable, Residents* are reported net of the estimated uncollectible balance. No bad debt expense was recognized for the years ended June 30, 2020 and 2019 as a result of these estimates. The total bad debt expense recognized in each year includes the annual provision for the reserve allowance against resident receivables and the actual bad debts from uncollected rents.

Contributions Receivable:

Contributions Receivable reflects the balance due on unconditional promises to give, which management considers to be fully collectible. Therefore, there is no provision for uncollectible grants receivable, and there were no losses arising from uncollectible promises to give for the years presented. These consolidated financial statements do not contain a provision for uncollectible contributions receivable; therefore, if amounts become uncollectible, a provision will be established when that determination is made. Receivables are classified as current if they are scheduled for payment within one year, and non-current when the expected payment date exceeds one year.

NOTE 3 *(Continued)*

Property and Equipment:

Property, equipment, furnishing and improvement purchases in excess of $5,000 are capitalized at cost, if purchased, or if donated, at fair value at the date of receipt. Expenditures for maintenance, repairs and renewals are charged to expense as incurred, whereas major betterments are capitalized as additions to property and equipment. Depreciation of property and equipment is computed using the straight-line method, and is charged to activities over the following estimated useful lives of the assets, as expressed in terms of years:

Asset Category	Life
Buildings	40
Building Improvements	10 - 40
Office and Program Equipment	5 - 10
Motor Vehicles	5 - 7

The Organization reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by the property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of the property. There were no impairment losses recognized in the years presented.

Revenue Recognition:

Government Grants and Contracts

Project Place is the recipient of various federal, state and local government funded service contracts and direct federal awards. These contracts are administered on either a cost reimbursement basis or on a unit-of-service basis; accordingly, the funding sources are billed as eligible costs are incurred or units-of-service are provided, and unrestricted program service revenues along with the related receivables are recorded in the period during which the costs were incurred and the services were delivered. These service contracts and agreements are typically subject to an annual renewal process and future funding is not guaranteed. For the years presented, the primary funding sources included the U.S. Department of Labor, the City of Boston, the Commonwealth of Massachusetts and the Suffolk County Sheriff's Department.

Commercial Products and Services

Project Place operates four ongoing businesses, referred to as *Social Enterprises*, that employ clients and program participants who complete the Work Ready program. Social Enterprises includes a cleaning business, vending machine operations and product manufacturing services. Revenue from Social Enterprises is recognized when earned as services are provided or as sales transactions are completed. Revenue that is either invoiced or received in advance is considered unearned and is recognized as *Deferred Revenue*, a current liability in the accompanying Consolidated Statements of Financial Position.

NOTE 3 *(Continued)*

Rental Income

Project Place Gatehouse receives rental income from individual, formerly homeless tenants, which is recognized when earned based upon occupancy dates. Rental income collected in advance is considered unearned and presented as *Deferred Revenue.* Four units are subsidized by the Massachusetts Rental Voucher Program ("MRVP") and overseen by the Metropolitan Boston Housing Partnership ("MBHP"). Under the MRVP, tenants are responsible for a portion of their rent which is determined using a formula prescribed by the MBHP and Affordable Housing Regulations. Ten units are subsidized by an annual grant from the City of Boston through the HUD Supportive Housing program for project-based permanent housing.

Gifts, Grants, Contributions and Special Event Proceeds:

As required by the FASB Accounting Standards Codification™, contributions are required to be recorded as receivables and revenues and the Organization is required to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and right of return - are not recognized until the conditions on which they depend have been met. Contributions of assets other than cash are reported at their estimated fair value.

Multi-year commitments are recognized in the year during which the initial commitment was made. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved, when such amounts are considered material.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions until the restrictions expire, at which time the assets are reclassified to net assets without donor restrictions. Donor restricted contributions are classified as net assets without donor restrictions if the restrictions are met in the same reporting period in which the contributions are received.

Donated Goods, Services and Facilities:

As required by the *FASB Accounting Standards Codification™*, Project Place maintains a policy whereby contributions of donated non-cash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received. For the years ended June 30, 2020 and 2019, respectively, food subsidies valued at $20,069 and $29,659 were received from the Greater Boston Food Bank, and recognized as an expense with offsetting support included in *Gifts, Grants and Contributions* in the accompanying consolidated financial statements. For the year ended June 30, 2020, pro bono legal expenses valued at $53,857 was received and recognized as an expense with offsetting support included in *Gifts, Grants and Contributions* in the accompanying consolidated financial statements.

NOTE 3 *(Continued)*

Functional Expenses:

Project Place allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. For the years presented, *Salaries and Wages*, *Payroll Taxes* and *Fringe Benefits* are allocated based on employee time and effort. *Occupancy Costs* and *Depreciation* are allocated based on square footage. Other expenses that are common to several functions are allocated based upon space and time usage ratios. Supporting services are those related to operating and managing Project Place, and its programs on a day-to-day basis.

Supporting services have been sub-classified as follows:

Administrative - includes all activities related to Project Place, Inc.'s internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds for Project Place, Inc.'s programs.

Event Costs - includes the costs of special fund raising events.

Tax Position:

The Organization currently evaluates all tax positions, and makes a determination regarding the likelihood of those positions being upheld under review. The primary tax positions made by the Project Place and Project Place Gatehouse pertains to their status as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code. The primary tax position made by The Condominium Trust pertains to its status as under the Massachusetts laws regarding condominium trusts. For the years presented, the Organization has not recognized any tax benefits or loss contingencies for uncertain tax positions based on this evaluation.

Recent Accounting Guidance:

Recently Implemented Standards

In June 2018, the FASB issued ASC Update No. 2018-08, (Topic 958) *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU provides a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. The ASU also provides additional guidance to help determine whether a contribution is conditional or unconditional. This standard was adopted by the Organization effective July 1, 2019. This ASU provides organizations with the option of applying the clarified guidance in the initial year of implementation on a prospective basis; therefore, the Organization has not restated its 2018 revenue balances or opening net assets for the years presented.

NOTE 3 *(Continued)*

Recently Issued Standards

In May 2014, the FASB issued ASC Update No. 2014-09, (Topic 606) *Revenue from Contracts with Customers*. This ASU is a comprehensive new revenue recognition model that requires an organization to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods or services. This updated guidance impacts not-for-profit entities that have revenue transactions other than contributions. In August 2015, the FASB deferred the effective date of ASC Update No. 2014-09 by one year when it issued ASC Update No. 2015-14, (Topic 606) *Revenue from Contracts with Customers*. In June 2020, the FASB issued an optional deferral of the effective date. The implementation of Topic 606 is effective for the Organization's fiscal year ended June 30, 2021, and is not expected to have a material effect on the Organization's consolidated financial statements.

Reclassifications:

Certain amount in the prior year summarized comparative consolidated financial statements have been reclassified. Reclassifications made to the prior year summarized comparative consolidated financial statements have no impact on total net assets or changes in net assets.

NOTE 4 INVESTMENTS

As of June 30, 2020 and 2019, Project Place's investment portfolio was held within the *Board Designated Funds for Strategic Plan* and consists of the following:

	June 30, 2020		
Investment Type	Cost Basis	Unrealized Gains	Fair Value (Level 1)
Schwab Treasury Money Market Fund	$ 630,570	$ -	$ 630,570
Stock Mutual Funds	180,383	19,519	199,902
Bond Mutual Funds	392,198	40,545	432,743
Total Investments	$1,203,151	$60,064	$1,263,215

	June 30, 2019		
Investment Type	Cost Basis	Unrealized Gains	Fair Value (Level 1)
Schwab Treasury Money Market Fund	$ 200,317	$ -	$ 200,317
Stock Mutual Funds	175,969	17,250	193,219
Bond Mutual Funds	860,750	27,088	887,838
Total Investments	$1,237,036	$44,338	$1,281,374

NOTE 4 *(Continued)*

The Organization uses the following ways to determine the fair value of its investments:

Schwab Treasury Money Market Fund and Mutual Funds: Determined at the published Net Asset Value ("NAV") unit at the end of the last trading day of the fiscal year, which is the basis for the transactions at that date. NAV is based on the value of the underlying assets owned by the fund, minus its liabilities and then divided by the number of shares held by the Organization at year end. NAV is quoted in an active market.

NOTE 5 ACCOUNTS RECEIVABLE

Accounts Receivable, Program Services:

Accounts receivable from program services as of June 30, 2020 and 2019 are summarized below:

Funding Source	2020	2019
Government Contracts	$281,756	$191,704
Commercial Services	66,655	102,750
Other	-	13,590
Total Accounts Receivable	348,411	308,044
Less: Provision for Uncollectible Amounts	(9,500)	(9,500)
Net Realizable Value	$338,911	$298,544

Accounts Receivable, Residents:

Accounts receivable from residents as of June 30, 2020 and 2019 are summarized below:

Funding Source	2020	2019
Residents	$ 21,252	$ 22,025
Less: Provision for Uncollectible Amounts	(14,834)	(14,834)
Net Realizable Value	$ 6,418	$ 7,191

NOTE 6 PROPERTY AND EQUIPMENT

The following is a summary of property and equipment as of June 30, 2020 and 2019:

Asset Category	2020	2019
Land	$ 250,000	$ 250,000
Building and Renovations	9,534,561	9,489,966
Office and Program Equipment	870,774	870,774
Motor Vehicles	121,202	81,637
Subtotal	10,776,537	10,692,377
Accumulated Depreciation	(4,161,255)	(3,865,192)
Property and Equipment, Net	$ 6,615,282	$ 6,827,185

NOTE 7 RESTRICTED DEPOSITS AND FUNDED RESERVES

Operating Reserve:

As part of the original mortgage loan agreement, Project Place was required to maintain a $200,000 reserve for operating shortfalls. Although the funds are now unencumbered, management intends to continue to maintain the existing funds in pre-established depository accounts. Management also intends to use the funds for the future cash needs of the building and its equipment.

As of June 30, 2020 and 2019, management restricted operating reserves were $196,299 and $196,193, respectively and are included in *Restricted Deposits and Funded Reserves* on the accompanying Consolidated Statements of Financial Position.

Replacement Reserve:

Project Place was also required to maintain a reserve for significant repairs and replacements for capital items, as well as for permanent improvements and betterments. The reserve funds are held by Eastern Bank. Annual additions to the replacement reserve fund in the amount of $18,750 for the first payment and escalating 2.5% per annum thereafter were required pursuant to the mortgage payable.

Similar to the operating reserve accounts, the replacement reserves are also now unencumbered and management intends to maintain the funds in a pre-established depository account. Management also intends to use the existing replacement reserve funds for the future cash needs of the building and its equipment.

The trustees of The 1145 Washington Street Condominium Trust are required to maintain a replacement reserve fund with respect to the operation, management, maintenance, replacement and repairs of the general common elements of all unit holders.

As of June 30, 2020 and 2019, management restricted replacement reserves were $34,003 and $72,583, respectively and are included in the line *Restricted Deposits and Funded Reserves* on the accompanying Consolidated Statements of Financial Position.

NOTE 8 DEFERRED REVENUE

Deferred revenue consists of the following balances as of June 30, 2020 and 2019:

Description	2020	2019
Advance Payments for Commercial Services	$57,337	$23,979
Rental Payments Received in Advance	5,984	4,977
Condo Dues Received in Advance	2,619	-
Total Deferred Revenue	$65,940	$28,956

NOTE 9 DEBT

Project Place Gatehouse - 1145 Washington Street, Boston, Massachusetts

Project Place entered into a new market tax credit arrangement with the Massachusetts Housing Investment Corporation ("MHIC") in connection with the construction of its mixed used facility in December 2005. In December 2014, after the unwinding process with the new market tax credit arrangement occurred, the remaining long-term debt was $1.9 million, restructured as three deferred payment non-interest bearing notes described below. There are no current maturities and the aggregate obligation is presented as a long-term debt.

City of Boston Department of Neighborhood Development ("DND"):

A former MHIC New Markets CDE II LLC Series 4 note in the amount of $700,000 was assigned to the City of Boston DND under the same terms as when held by MHIC. The note requires no monthly payments, is non-interest bearing and matures on June 6, 2036, or upon default of the loan covenants. At maturity, the debt may be waived by DND.

Commercial Economic Development Assistance Corporation ("CEDAC"):

A former MHIC New Markets CDE II LLC Series 4 note in the amount of $600,000 was assigned to CEDAC under the same terms as when held by MHIC. The note requires no monthly payments, is non-interest bearing and matures on June 21, 2036, or upon default of the loan covenants. At maturity, the debt may be waived by CEDAC.

Massachusetts Department of Housing and Community Development ("DHCD"):

A former MHIC New Markets CDE II LLC Series 4 note in the amount of $600,000 was assigned to DHCD under the same terms as when held by MHIC. The note requires no monthly payments, is non-interest bearing and matures on July 21, 2036, or upon default of the loan covenants. At maturity, the debt may be waived by DHCD.

Each of the above debts is secured by a mortgage on the property, including the furniture and fixtures. The underlying property is subject to heavy regulation, deed restrictions and the debts are not transferrable on an open market. Management has concluded that the carrying value reflects the fair value of the debt instruments and, therefore, the Organization has not discounted the notes to reflect imputed interest.

Operating Debt

Line-of-Credit:

On July 12, 2013, Project Place established a line-of-credit with Eastern Bank with a borrowing limit of $300,000. The line-of-credit is secured by all business assets and is subject to fluctuating interest rates, which was 3.25% and 5.5% as of June 30, 2020 and 2019, respectively. All borrowings are payable on demand; however, as of June 30, 2020 and 2019, there was no outstanding balance and the line-of-credit was not used during the years presented. The line-of-credit is subject to annual renewals and, unless renewed, will expire on June 30, 2021.

NOTE 10 DESIGNATED NET ASSETS AND NET ASSETS WITH DONOR RESTRICTIONS

Net Assets with Donor Restrictions:

Net assets with donor restrictions consists of unexpended donor designated grants and contributions. There were no such restrictions as of June 30, 2020 and 2019.

Net assets released from donor restrictions by incurring expenses which satisfied the restricted purposes or by occurrence of events specified by the donors were as follows:

Nature of Restrictions	2020	2019
Program Restrictions	$500,790	$389,320
Total	$500,790	$389,320

Board Designated Funds for Strategic Plan:

To support the execution of Project Place's strategic plan, a board designated fund has been established to support three of the plan's objectives, including growing the enterprises to serve a larger and more diverse client base, increasing the level of skills taught, and the geographic expansion of evidence-based best-practice programming for re-entry. As of June 20, 2020 and 2019, the *Board Designated Funds for Strategic Plan* consists of the following balances:

	2020	2019
Cash	$ 736,785	$ 318,626
Investments	1,263,215	1,281,374
Total	$2,000,000	$1,600,000

NOTE 11 COMMERCIAL PRODUCTS AND SERVICE REVENUE

Commercial products revenue is reflected on the Consolidated Statement of Activities net of the direct cost of goods sold. A summary of the commercial products revenue is presented below:

	2020	2019
Gross Product and Service Sales	$580,985	$578,388
Less: Cost of Goods Sold	(62,862)	(41,453)
Net Commercial Products and Services	$518,123	$536,935

NOTE 12 EMPLOYEE BENEFIT PROGRAM

Project Place adopted a Tax-Sheltered Annuity Plan under IRC Section 403(b) in 1996 for all employees who wish to participate. Project Place did not contribute to the plan in the years ended June 30, 2020 and 2019, and incurred no plan administration expenses. An insurance company bears all the risks associated with the plan.

Project Place implemented a 401(k) Salary Deferral Plan in January 2000. Project Place contributes 50% of the employees' contributions up to 5% of employees' gross salary. Contributions by Project Place for the years ended June 30, 2020 and 2019 were $12,780 and $12,528, respectively.

NOTE 13 CONTINGENCIES

Surplus Revenue Retention Regulations:

The Commonwealth of Massachusetts Operational Services Division's regulation, 808 CMR 1.19(3), *Not-for-Profit Surplus Revenue Retention*, allows social service providers to retain a surplus up to twenty percent of total revenues attributable to or generated by Commonwealth agreements for the provision of social services to clients of the Commonwealth and to use such surplus revenue for charitable purposes of the Organization. Amounts that exceed the threshold may be subject to recoupment by the Commonwealth. Management concludes that Project Place, Inc. is in compliance with the OSD requirements.

Deed Restrictions:

Each of the debt obligations disclosed in Note 9 imposes a deed restriction on the use of the residential facilities, located in Boston. The purpose of the deed restrictions is to assure the government that the premises will be retained as 14 units of affordable housing for occupancy by low and very low-income individuals for 30 years following completion of the project. The deed restrictions apply to all owners of the property without regard to early repayment of debt.

Impact of COVID-19:

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity which could result in a loss of grants, contributions, revenue and other material adverse effects to the Organization's financial position, change in net assets and cash flows. The Organization is not able to estimate the length of severity of this outbreak and the related financial impact. Management plans to adjust its operations accordingly and will continue to assess and monitor the situation as it evolves. If the length of the outbreak and related effected on the Organization's operations continue for an extended period of time, the Organization may have to seek alternative measures to finance its operation *(See Note 15)*. There is no assurance these measures will be successful.

NOTE 13 *(Continued)*

Paycheck Protection Program:

The Organization received a loan in the amount of $424,970 from Eastern Bank through the Paycheck Protection Program established by the U.S. CARES Act (the “PPP loan”) on April 14, 2020. The Organization has elected to account for the expected forgivable portion of this loan as a conditional grant commitment as permitted by the AICPA. The Organization intends to apply for and receive full forgiveness of the loan, while any remaining balance would be repayable over a five-year term and subject to interest at the annual rate of 1%. The amount forgiven equals the amount incurred on qualifying costs (payroll, mortgage interest, rent utilities, as defined and subject to limitations) during the covered period. The amount forgiven is reduced if a) the Organization decreases its staffing levels during the covered period, or b) reduced salaries/wages during the covered period; however, those reductions are subject to certain exemptions. At the end of the covered period, management will determine how the funds were applied. The Organization expects to meet the requirements for loan forgiveness. The Organization must prepare and submit a loan forgiveness application to the lender, which is then reviewed by both the bank and the Small Business Administration (“SBA”) and then approved. The Organization elects to use a 24-week covered period which will expire on September 29, 2020. The funds received in advance totaling $424,970 are reported on the accompanying Consolidated Statements of Financial Position as a *Conditional Grant Advance,* a current liability, as of June 30, 2020.

NOTE 14 CONCENTRATION OF CREDIT RISK

Cash and Investments:

The Organization is subject to concentrations in credit risk relating primarily to cash and investments. Cash deposits are insured by the Federal Deposit Insurance Corporation (“FDIC”) under the applicable limits; however, at times cash balances may exceed federally insured limits. As of June 30, 2020 and 2019, the Organization had cash balances of $563,365 and $298,078, respectively, in excess of FDIC insured limits.

The Organization invests in professionally managed money market and mutual funds that contain various types of marketable securities. The Organization's investments are exposed to various risks, such as fluctuations in market value, and credit risk. Thus, it is at least reasonably possible that changes in the near term could materially affect investment balances. The Organization’s investment policy is to minimize risk with conservative investments and to invest funds intended as long-term operating reserves. The investment performance and portfolio is reviewed by the Board of Directors on a periodic basis.

The Organization has not experienced any losses on such accounts and management considers credit risk on cash and investments to be low.

Accounts Receivable, Program Services:

For the year ended June 30, 2020, $94,205, representing 28% of total program service receivables, was due from one agency with government funded contracts and subcontracts. Management considers these receivables to be fully collectible.

NOTE 14 *(Continued)*

For the year ended June 30, 2019, $88,422, representing 30% of total program service receivables, was due from two agencies with government funded contracts and subcontracts. Management considers these receivables to be fully collectible.

Contributions Receivable:

For the year ended June 30, 2019, $40,000, representing 89% of total contributions receivable, was due from two donors.

Government Funded Contract Revenue:

Aggregate funding from the Department of Labor was $368,870 and $124,929 for the years ended June 30, 2020 and 2019, respectively, and accounted for approximately 28% and 11% of total government grants and contracts revenue for those years.

Special Event Revenue:

Project Place's annual gala raised $696,501 and $1,136,860 for the years ended June 30, 2020 and 2019, respectively, and accounted for approximately 18% and 33% of total support and revenues for the years then ended. In FY 2020, the in-person event was cancelled due to the COVID-19 pandemic.

NOTE 15 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Organization's financial assets as of June 30, 2020 and 2019, reduced by amounts which are not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year of the Consolidated Statement of Financial Position date.

	2020	2019
Financial Assets:		
Cash	$ 1,012,622	$ 641,536
Accounts Receivable, Program Services	338,911	298,544
Accounts Receivable, Residents	6,418	7,191
Contributions Receivable	-	45,000
Board Designated Funds For Strategic Plan	2,000,000	1,600,000
Restricted Deposits and Funded Reserves	230,302	270,205
Total Financial Assets	3,588,253	2,862,476
Less Amounts Not Available To Be Used Within One Year:		
Board Designated Funds for Strategic Plan	(2,000,000)	(1,600,000)
Restricted Deposits and Funded Reserves	(230,302)	(270,205)
Financial Assets Available To Meet General Expenditures Within One Year	$ 1,357,951	$ 992,271

NOTE 15 *(Continued)*

The Organization has ample liquidity to meet its ongoing operations with its financial assets available to meet general expenditures within one year. At June 30, 2020, the Organization has financial assets equal to approximately four months of expenses. The Organization also has access to a line-of-credit with a borrowing limit of $300,000 and if financially necessary, the board can designate funds from the $2,000,000 intended for the strategic plan to fund operations. Two of the objectives of the Organization's latest strategic plan is to serve more people and teach more skills. In support of these goals, the board has authorized $400,000 in capital expenditures to purchase vehicles, equipment and software. Also, additional client services, career services, and enterprise staff may be needed to execute the plan. *Board Designated Funds for Strategic Plan* resources may be used to support these initiatives.

NOTE 16 SUBSEQUENT EVENTS

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the consolidated financial statements. Therefore, Management has evaluated subsequent events through October 28, 2020, the date which the consolidated financial statements were available for issue, and noted no events which met the recognition or disclosure criteria.

INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2020

	PROJECT PLACE	GATEHOUSE	1145 WASHINGTON ST. TRUST	ELIMINATIONS	CONSOLIDATED TOTAL
ASSETS					
CURRENT ASSETS:					
Cash	$ 752,455	$ 204,848	$ 55,319	$ -	$ 1,012,622
Accounts Receivable, Program Services	338,911	-	-	-	338,911
Accounts Receivable, Residents	-	6,418	-	-	6,418
Prepaid Expenses	5,167	555	3,435	-	9,157
Total Current Assets	1,096,533	211,821	58,754	-	1,367,108
PROPERTY AND EQUIPMENT:					
Property and Equipment	608,491	10,418,046	-	(250,000)	10,776,537
Less: Accumulated Depreciation	(458,011)	(3,784,494)	-	81,250	(4,161,255)
Net Property and Equipment	150,480	6,633,552	-	(168,750)	6,615,282
OTHER ASSETS:					
Board Designated Funds for Strategic Plan	2,000,000	-	-	-	2,000,000
Restricted Deposits and Funded Reserves	-	230,302	-	-	230,302
Investment in Gatehouse	120,000	-	-	(120,000)	-
Due from Related Party	38,409	425,372	-	(463,781)	-
Total Other Assets	2,158,409	655,674	-	(583,781)	2,230,302
TOTAL ASSETS	$ 3,405,422	$ 7,501,047	$ 58,754	$ (752,531)	$ 10,212,692
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts Payable	$ 20,191	$ -	$ 669	$ -	$ 20,860
Accrued Expenses	205,840	10,045	61	-	215,946
Deferred Revenue	57,337	5,984	2,619	-	65,940
Conditional Grant Advance	424,970	-	-	-	424,970
Due to Related Party	401,891	-	61,890	(463,781)	-
Total Current Liabilities	1,110,229	16,029	65,239	(463,781)	727,716
LONG-TERM LIABILITIES:					
Long-Term Deferred Payment Debt	-	1,900,000	-	-	1,900,000
Total Long-Term Liabilities	-	1,900,000	-	-	1,900,000
TOTAL LIABILITIES	1,110,229	1,916,029	65,239	(463,781)	2,627,716
NET ASSETS:					
Net Assets Without Donor Restrictions:					
Operating	144,713	851,466	(6,485)	(120,000)	869,694
Board Designated	2,000,000	-	-	-	2,000,000
Invested in Property and Equipment	150,480	4,733,552	-	(168,750)	4,715,282
Total Net Assets Without Donor Restrictions	2,295,193	5,585,018	(6,485)	(288,750)	7,584,976
TOTAL LIABILITIES AND NET ASSETS	$ 3,405,422	$ 7,501,047	$ 58,754	$ (752,531)	$ 10,212,692

INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

SCHEDULE II - CONSOLIDATING STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

	PROJECT PLACE		GATEHOUSE		1145 WASHINGTON STREET TRUST		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	ELIMINATIONS	CONSOLIDATED TOTAL
SUPPORT, REVENUES AND RECLASSIFICATIONS:							
Support and Revenues:							
Government Grants and Contracts	$ 1,325,918	$ -	$ -	$ -	$ -	$ -	$ 1,325,918
Commercial Products and Services	549,323	-	-	-	-	(31,200)	518,123
Rental Income	-	-	187,327	-	-	-	187,327
Gifts, Grants and Contributions	737,190	480,790	-	20,000	-	(178,200)	1,059,780
Special Event Proceeds	696,501	-	-	-	-	-	696,501
Dues Income	-	-	-	-	101,387	(101,387)	-
Miscellaneous Revenues	4,546	-	1,012	-	-	-	5,558
Investment Return	36,871	-	237	-	8	-	37,116
Reclassification of Net Assets-Released from Restrictions							
Satisfaction of Donor Restrictions	480,790	(480,790)	20,000	(20,000)	-	-	-
TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS	**3,831,139**	**-**	**208,576**	**-**	**101,395**	**(310,787)**	**3,830,323**
EXPENSES:							
Program Services:							
Program Services	2,970,411	-	231,331	-	69,406	(268,519)	3,002,629
Supporting Services:							
Administrative	448,826	-	2,069	-	6,834	(26,730)	430,999
Fund Raising	379,317	-	-	-	5,568	(21,788)	363,097
TOTAL EXPENSES	**3,798,554**	**-**	**233,400**	**-**	**81,808**	**(317,037)**	**3,796,725**
CHANGE IN NET ASSETS	**32,585**	**-**	**(24,824)**	**-**	**19,587**	**6,250**	**33,598**
NET ASSETS - BEGINNING OF YEAR	**2,262,608**	**-**	**5,609,842**	**-**	**(26,072)**	**(295,000)**	**7,551,378**
NET ASSETS - END OF YEAR	**$ 2,295,193**	**$ -**	**$ 5,585,018**	**$ -**	**$ (6,485)**	**$ (288,750)**	**$ 7,584,976**

INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

SCHEDULE III - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019

	PROJECT PLACE	GATEHOUSE	1145 WASHINGTON ST. TRUST	ELIMINATIONS	CONSOLIDATED TOTAL
ASSETS					
CURRENT ASSETS:					
Cash	$ 363,595	$ 214,523	$ 63,418	$ -	$ 641,536
Accounts Receivable, Program Services	298,544	-	-	-	298,544
Accounts Receivable, Residents	-	7,191	-	-	7,191
Contributions Receivable	45,000	-	-	-	45,000
Prepaid Expenses	12,445	536	5,572	-	18,553
Total Current Assets	719,584	222,250	68,990	-	1,010,824
PROPERTY AND EQUIPMENT:					
Property and Equipment	568,926	10,373,451	-	(250,000)	10,692,377
Less: Accumulated Depreciation	(418,084)	(3,522,108)	-	75,000	(3,865,192)
Net Property and Equipment	150,842	6,851,343	-	(175,000)	6,827,185
OTHER ASSETS:					
Board Designated Funds for Strategic Plan	1,600,000	-	-	-	1,600,000
Restricted Deposits and Funded Reserves	-	270,205	-	-	270,205
Investment in Gatehouse	120,000	-	-	(120,000)	-
Due from Related Party	69,293	181,441	-	(250,734)	-
Total Other Assets	1,789,293	451,646	-	(370,734)	1,870,205
TOTAL ASSETS	$ 2,659,719	$ 7,525,239	$ 68,990	$ (545,734)	$ 9,708,214
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts Payable	$ 42,765	$ 240	$ 3,119	$ -	$ 46,124
Accrued Expenses	171,507	10,180	69	-	181,756
Deferred Revenue	23,979	4,977	-	-	28,956
Due to Related Party	158,860	-	91,874	(250,734)	-
Total Current Liabilities	397,111	15,397	95,062	(250,734)	256,836
LONG-TERM LIABILITIES:					
Long-Term Deferred Payment Debt	-	1,900,000	-	-	1,900,000
Total Long-Term Liabilities	-	1,900,000	-	-	1,900,000
TOTAL LIABILITIES	397,111	1,915,397	95,062	(250,734)	2,156,836
NET ASSETS:					
Net Assets Without Donor Restrictions					
Operating	511,766	658,499	(26,072)	(120,000)	1,024,193
Board Designated	1,600,000	-	-	-	1,600,000
Invested in Property and Equipment	150,842	4,951,343	-	(175,000)	4,927,185
Total Net Assets Without Donor Restrictions	2,262,608	5,609,842	(26,072)	(295,000)	7,551,378
TOTAL LIABILITIES AND NET ASSETS	$ 2,659,719	$ 7,525,239	$ 68,990	$ (545,734)	$ 9,708,214

INTERSEMINARIAN - PROJECT PLACE, INC. AND SUBSIDIARIES

SCHEDULE IV - CONSOLIDATING STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

	PROJECT PLACE		GATEHOUSE		1145 WASHINGTON STREET TRUST		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	WITHOUT DONOR RESTRICTIONS	ELIMINATIONS	CONSOLIDATED TOTAL
SUPPORT, REVENUES AND RECLASSIFICATIONS:							
Support and Revenues:							
Government Grants and Contracts	$ 1,119,937	$ -	$ -	$ -	$ -	$ -	$ 1,119,937
Commercial Products and Services	568,135	-	-	-	-	(31,200)	536,935
Rental Income	-	-	190,038	-	-	-	190,038
Gifts, Grants and Contributions	517,148	358,420	-	20,000	-	(178,200)	717,368
Special Event Proceeds	1,136,860	-	-	-	-	-	1,136,860
Less: Direct Cost of Benefits to Donors	(346,023)	-	-	-	-	-	(346,023)
Dues Income	-	-	-	-	106,464	(106,464)	-
Miscellaneous Revenues	3,663	-	2,350	-	-	-	6,013
Investment Return	39,427	-	594	-	15	-	40,036
Reclassification of Net Assets - Released from Restrictions:							
Satisfaction of Donor Restrictions	369,320	(369,320)	20,000	(20,000)	-	-	-
TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS	**3,408,467**	**(10,900)**	**212,982**	**-**	**106,479**	**(315,864)**	**3,401,164**
EXPENSES:							
Program Services:							
Program Services	2,693,074	-	243,307	-	99,010	(274,208)	2,761,183
Supporting Services:							
Administrative	376,199	-	3,508	-	9,306	(27,183)	361,830
Fund Raising	262,577	-	-	-	7,578	(20,723)	249,432
TOTAL EXPENSES	**3,331,850**	**-**	**246,815**	**-**	**115,894**	**(322,114)**	**3,372,445**
TOTAL CHANGE IN NET ASSETS	**76,617**	**(10,900)**	**(33,833)**	**-**	**(9,415)**	**6,250**	**28,719**
NET ASSETS - BEGINNING OF YEAR	**2,185,991**	**10,900**	**5,643,675**	**-**	**(16,657)**	**(301,250)**	**7,522,659**
NET ASSETS - END OF YEAR	**$ 2,262,608**	**$ -**	**$ 5,609,842**	**$ -**	**$ (26,072)**	**$ (295,000)**	**$ 7,551,378**